



PENTICTON TRADE AND
CONVENTION CENTRE

South Okanagan Events Centre Complex 2020 Operating Budget

SOUTH OKANAGAN EVENTS CENTRE COMPLEX

The four facilities operated by Spectra Venue Management



South Okanagan Events Centre



Penticton Trade and Convention Centre



Okanagan Hockey School Training Centre



Memorial Ice Arena

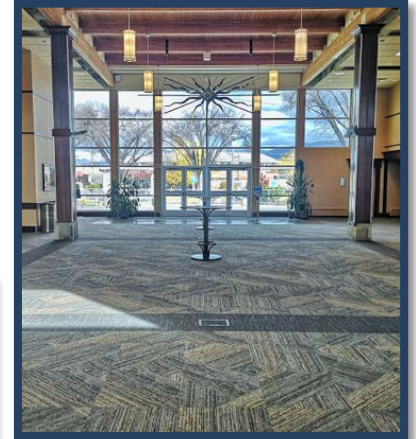
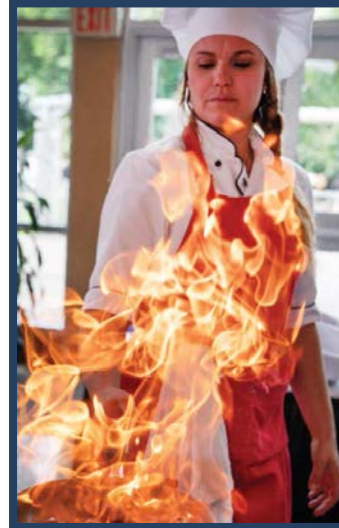
2019 SOEC COMPLEX KEY HIGHLIGHTS

- National Junior 'A' Championship "Centennial Cup" Tournament
 - Successfully bid and won for 2021
 - \$100,000 grant from the City of Penticton
 - CJHL record breaking attendance numbers
- 14 shows budgeted: five (5) major concerts, seven (7) minor concerts and two (2) family shows
- **19 shows booked**: nine (9) major concerts, seven (7) minor concerts and three (3) family shows
- Successfully hosted 2019 BCHL Showcase Festival
- Success of OHA expansion has contributed to the complex and the City during the shoulder season
 - The economic impact of the CSSHL Playoff tournament to city has grown **from \$2.508M in 2018 to \$2.740M in 2019**



2019 SOEC COMPLEX KEY HIGHLIGHTS

- Worked closely with Penticton Lakeside Resort & Conference Centre to represent the City of Penticton externally- joint representation under Travel Penticton umbrella at MICE tradeshows and FAM tours.
- New Carpet upgrades at the Penticton Trade and Convention Centre.
- Down-aisle light upgrades at the South Okanagan Events Centre.
- Sold out Offspring and SUM 41 show is projected to be the biggest show of 2019.
- 30,000+ hotel room nights booked due to PTCC events.
- Sold out Small Business, Big Christmas event.
 - 2019: 400 seats sold, 2018: 388 seats sold
- Began process of Upgrading Food and Beverage Point of Sale System.
 - fully functional in the beginning of 2020



SOEC COMPLEX CHALLENGES

- As one of the largest employers in Penticton of part-time staff, a few of our biggest challenges is attaining and retaining qualified employees, in addition to adapting our business to the high turnover rate of employees
- Next phase of minimum wage increase in June 2020 means an unavoidable increase to our budget
- Implementation of the Employee Health Tax is another unavoidable increase to our budget, as it is a higher expense than MSP from previous years
- As venue gets older, repairs and maintenance increase



SOEC COMPLEX 2020 GOALS

- The PTCC currently has six (6) city-wide conventions booked in 2020 – we'll look to maximize these events as much as possible.
- The SOEC already has (9) shows booked and on sale for 2020.
 - 2020 shows budgeted (two (2) family, nine (9) minor and four (4) major = **15 total**)
 - Continued focus on attracting large scale marquee events to Penticton in 2020
- Continue working with the City of Penticton's Sport Tourism Manager to create incentivizing bids for future large scale sporting events.
- Continue to work closely with Travel Penticton to grow the MICE (Meetings, Incentives, Conventions and Exhibitions) tourism market segment through strategic sales and marketing initiatives and collaborations.



SOEC COMPLEX

	2019 Budget	2019 Projected	2020 Budget
Event Operating Income	1,742,685	1,568,190	1,754,298
Other Income	1,718,368	1,688,983	1,745,689
Indirect Expenses			
Executive	268,568	263,294	264,659
Marketing/Sales	676,145	606,940	642,398
Finance	319,909	284,691	306,272
Events	339,621	333,604	338,166
Ops	1,889,488	1,839,341	1,928,242
Food and Beverage	597,621	553,731	651,588
Box Office	335,932	320,226	333,000
Overhead	420,950	424,904	439,110
Total Indirect Expenses	4,848,233	4,626,731	4,903,435
Net Operating Income	(1,387,180)	(1,369,181)	(1,403,448)
Facility Surcharge Paid to City	74,171	64,870	77,810
Net Income (Loss)	(1,461,352)	(1,434,068)	(1,481,258)

**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

	2019 Budget	2019 Projected	2020 Budget
Event Operating Income	890,703	795,846	941,011
Other Income	1,033,398	1,007,584	1,041,300
Indirect Expenses			
Executive	188,066	195,465	192,463
Marketing/Sales	358,612	340,970	351,019
Finance	221,168	202,446	205,102
Events	259,264	254,232	256,377
Ops	1,004,683	1,010,025	1,017,323
Food and Beverage	346,587	314,096	387,669
Box Office	335,932	320,226	333,000
Overhead	246,830	256,477	257,396
Total Indirect Expenses	2,961,141	2,893,937	3,000,349
Net Operating Income	(1,037,040)	(1,120,504)	(1,018,039)
Facility Surcharge Paid to City	74,171	64,870	77,810
Net Income (Loss)	(1,111,212)	(1,185,374)	(1,095,848)

**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

	2019 Budget	2019 Projected	2020 Budget
Event Operating Income	851,982	802,341	813,287
Other Income	22,000	21,749	22,000
Indirect Expenses			
Executive	62,744	52,789	53,326
Marketing/Sales	317,533	265,610	291,379
Finance	73,023	63,793	79,625
Events	80,357	79,372	81,789
Ops	299,252	287,469	306,046
Food and Beverage	251,033	239,635	263,919
Box Office	-	-	-
Overhead	144,120	142,984	151,714
Total Indirect Expenses	1,228,062	1,131,652	1,227,799
Net Operating Income	(354,079)	(307,562)	(392,512)
Facility Surcharge Paid to City	-	-	-
Net Income (Loss)	(354,079)	(307,562)	(392,512)

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



OHS Training Centre

2019 Budget | 2019 Projected | 2020 Budget

Event Operating Income	-	-	-
Other Income	373,615	389,296	396,725
Indirect Expenses			
Executive	8,879	7,520	9,435
Marketing/Sales	-	-	-
Finance	12,859	9,226	10,772
Events	-	-	-
Ops	246,415	223,482	252,985
Food and Beverage	-	-	-
Box Office	-	-	-
Overhead	17,000	15,084	17,000
Total Indirect Expenses	285,154	255,312	290,192
Net Operating Income	88,462	133,984	106,532
Net Income (Loss)	88,462	133,984	106,532



Memorial Arena

2019 Budget | 2019 Projected | 2020 Budget

Event Operating Income	-	-	-
Other Income	289,354	270,354	285,665
Indirect Expenses			
Executive	8,879	7,520	9,435
Marketing/Sales	-	-	-
Finance	12,859	9,226	10,772
Events	-	-	-
Ops	339,138	318,365	351,887
Food and Beverage	-	-	-
Box Office	-	-	-
Overhead	13,000	10,359	13,000
Total Indirect Expenses	373,877	345,4720	385,094
Net Operating Income	(84,523)	(75,116)	(99,430)
Net Income (Loss)	(84,523)	(75,116)	(99,430)



THANK YOU



THAT Council approve in principle the South Okanagan Events Centre proposed budget, subject to final review.