

CIVIC CENTER - 7128

MISSION STATEMENT

The Times Union Center is Upstate New York's Premiere Sports & Entertainment Facility, which is owned by Albany County. Programming in the arena includes world class concerts, family shows, consumer shows, championship sports events (NCAA, MAAC and other) as well as Siena Men's Basketball & the AHL Albany Devils. Producing economic impact for area businesses while maximizing net operating profits for Albany County is a big part of our mission.

WHO WE SERVE

We serve the residents of Albany County while marketing our events to the greater Capital Region.

ABOUT OUR DEPARTMENT

The Times Union Center is managed and operated by SMG, the largest facility management company in the world. We strive to maximize revenues in connection with our events while minimizing expenses wherever possible. SMG works closely with Albany County to determine and explore the best capital improvements that can and should be performed to the facility. SMG works closely with its designated representative from Albany County Executive – Daniel McCoy's office to ensure proper communications will flow to all Albany County departments.

2016 ACCOMPLISHMENTS AND CHALLENGES

- SMG has been managing the Times Union Center successfully for the last 25 years. Over \$24 million dollars has been paid to Albany County from net operating profits over those years. More than 3,600 events have been presented.
- One of the bigger challenges facing SMG in the coming year will be coordinating work that needs to be completed within the Atrium Enclosure Project and other capital improvements while continuing to keep the building open to host events.

2017 GOALS AND PERFORMANCE TARGETS

- The costs to operate the Times Union Center continue to rise with costs of labor and utilities are constantly increasing. The projected net operating profit that we expect to generate in 2017 for Albany County should be more than \$875K. 2017 is a big year for the renewals of corporate suites.
- There are 13 suites that have terms ending at the end of August 2016, which all have to be renewed. SMG has already obtained renewal letters of intent for 12 of the 13 suites and a new suite lease will fill the final available suite, which means the required revenues from the suite leases will be intact going into 2017.
- The main goal will be to produce the projected net operating profit despite the fact that there will be major construction taking place outside of the arena in the main entrance areas.

SUMMARY OF BUDGET CHANGES

The proposed SMG budget includes all of the forecasted revenues and expenses deemed necessary to properly operate the Times Union Center on behalf of Albany County. Included within the budget are reimbursements from the Albany Convention Center Authority to the Times Union Center in conjunction with the Shared Employee Plan that became effective as of 10/1/15. Additional utility expenses were added to the budget to cover the costs of heating and cooling the atrium on a daily basis as well as the walkway between South Pearl Street and the TU Center parking garage. A new deal with the Albany Devils was negotiated in the spring of 2016 and it should result in higher revenues to the arena, which will help the bottom line. In similar fashion, the deal structure of the Siena Basketball seasons has improved the bottom line, which is reflected in the budget.

The Times Union Center interacts with the public on almost a daily basis. SMG works with the Albany Police Department and Albany County Sheriff's office to permit police agency training inside the arena during non-event time periods. These drills and training are designed to protect the public attending events in case of an active shooter or other threat.

The Albany Devils and SMG conduct "Coats for Kids" drives in the fall, which have brought in thousands of coats for children who are in need.

Food drives are conducted throughout the year in conjunction with the Northeast Regional Food Bank with a huge amount of canned food and other products being donated to this great organization.

Complimentary tickets are provided to numerous non-profit organizations, foster parent programs and veterans groups for events taking place at the arena.

A7128 Civic Center			2016	2017	2015	2016	2017	2017	2017
			Count	Count	Expended	Adjusted	Requested	Proposed	Adopted
Equipment									
Contractual Expenses									
A 7128 44301	Taxes & Assessments				\$88,634	\$101,882	\$100,000	\$100,000	\$0
A 7128 44913	Audit Fees				\$18,000	\$18,000	\$18,000	\$18,000	\$0
Subtotal for: Contractual Expenses					\$106,634	\$119,882	\$118,000	\$118,000	\$0
Total Appropriations					\$106,634	\$119,882	\$118,000	\$118,000	\$0
Revenue									
A7128	01190	Facility Fee			\$0	(\$500,000)	(\$500,000)	(\$500,000)	\$0
A7128	02451	Civic Center Revenue			\$0	(\$834,325)	(\$880,948)	(\$880,948)	\$0
Total Revenue					\$0	(\$1,334,325)	(\$1,380,948)	(\$1,380,948)	\$0
County Share					\$106,634	(\$1,214,443)	(\$1,262,948)	(\$1,262,948)	\$0