

**RESOLUTION 2013-26**

**A RESOLUTION ADOPTING AN ESTIMATE OF  
REVENUES AND EXPENDITURES FOR THE  
COOL SPRINGS CONFERENCE CENTER FOR  
FISCAL YEAR 2013 - 2014**

**WHEREAS**, the Cool Springs Conference Center is a jointly-owned public facility of the City of Franklin and Williamson County, and

**WHEREAS**, the management agreement for the Conference Center provides for an Annual Operating projection for each fiscal year be reviewed and adopted by the City of Franklin and Williamson County.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Mayor and Aldermen for the City of Franklin as follows:

**Section 1.** That the Statement of Revenues and Expenditures for the Cool Springs Conference Center, for the Fiscal Year 2013 – 2014, as set forth more fully in Attachment A, is herewith approved and adopted.

**IT IS SO RESOLVED AND DONE THIS 14<sup>TH</sup> DAY OF MAY, 2014.**

**ATTEST:**

**CITY OF FRANKLIN, TENNESSEE**

By: \_\_\_\_\_  
**ERIC S. STUCKEY**  
City Administrator/City Recorder

By: \_\_\_\_\_  
**DR. KEN MOORE**  
Mayor

# COOL SPRINGS CONFERENCE CENTER

## 2013-2014 Fiscal Year Business Plan

### **Market Overview:**

The Cool Springs Conference Center is one of the top regional meeting and conference venues in the state of Tennessee bringing in visitors and outside dollars to Franklin and Williamson County. To that end, we will continue to position ourselves as an economic catalyst for local businesses and area restaurants, and to continue the very strong revenue and profit results that have been achieved in the years of the conference center's existence. The Cool Springs Conference Center has been recognized for excellence by Meetings South magazine in 2010, 2011, and 2012.

Our success is achieved with a focus on a very directed, intensive sales effort on conventions and conferences from the southeast region, our primary source of business. We are also the first choice for meetings and events from corporations based in the Cool Springs area. We also participate in, and make use of Marriott corporate sales initiatives to identify and book corporate, association, and other conference and training business from across the country.

Finally, we focus on fitting local catering events into the booking calendar to meet the needs of the local community, and to enhance revenues of the conference center during need times.

### **Demand Generators:**

Significant demand growth has taken place in Cool Springs market over the last several years. CHS, Nissan, Heathway's, Mars, and Jackson National Life have built headquarters in the Cool Springs area. Class A office space is not currently available to house similar corporate relocations until larger chunks of new office space are built. When developments like Franklin Park are completed demand should resume at a similar historical pace. Couple this with the new hotel supply introduced in August of 2012, conference center revenues will slide minimally 1.7% next fiscal year until the current building projects are completed and the new hotel supply has stabilized in the market place.

### **Competition Changes:**

The 338 room Drury Plaza hotel opened in August of 2012. Conference Center customers are giving them a try. The Embassy Suites in Murfreesboro, a direct competitor for regional convention business, has taken groups that have outgrown the Cool Springs Conference Center.

**Cool Springs Conference Center**

**Statement of Income  
Fiscal 2013-2014**

2010-2011		2011-2012		2012-2013		2013-2014	
Actual	Actual	Actual	Projection	Projection	Budget	Budget	
6,109,563	97.2%	6,818,810	97.4%	6,455,515	97.0%	6,351,661	97.1%
168,540	2.7%	176,374	2.5%	169,274	2.5%	157,828	2.4%
7,303	0.1%	3,104	0.0%	30,995	0.5%	33,600	0.5%
<b>6,285,406</b>	<b>100.0%</b>	<b>6,998,289</b>	<b>100.0%</b>	<b>6,655,785</b>	<b>100.0%</b>	<b>6,543,089</b>	<b>100.0%</b>
91	0.0%	0	0.0%	0	0.0%	0	0.0%
3,505,552	57.4%	3,818,523	56.0%	3,704,619	57.4%	3,581,801	56.4%
37,302	22.1%	42,228	23.9%	44,422	26.2%	38,219	24.2%
<b>3,542,944</b>	<b>56.4%</b>	<b>3,860,751</b>	<b>55.2%</b>	<b>3,749,041</b>	<b>56.3%</b>	<b>3,620,020</b>	<b>55.3%</b>
499,212	7.9%	518,933	7.4%	514,365	7.7%	506,739	7.7%
482,228	7.7%	511,549	7.3%	652,975	9.8%	724,258	11.1%
321,598	5.1%	313,846	4.5%	322,947	4.9%	324,218	5.0%
273,622	4.4%	264,775	3.8%	306,813	4.6%	329,379	5.0%
144,977	2.3%	133,511	1.9%	151,694	2.3%	145,047	2.2%
<b>1,721,636</b>	<b>27.4%</b>	<b>1,742,614</b>	<b>24.9%</b>	<b>1,948,793</b>	<b>29.3%</b>	<b>2,029,642</b>	<b>31.0%</b>
<b>1,020,825</b>	<b>16.2%</b>	<b>1,394,924</b>	<b>19.9%</b>	<b>957,951</b>	<b>14.4%</b>	<b>893,428</b>	<b>13.7%</b>
333,366	5.3%	344,357	4.9%	176,234	2.6%	181,524	2.8%
<b>687,460</b>	<b>10.9%</b>	<b>1,050,567</b>	<b>15.0%</b>	<b>781,717</b>	<b>11.7%</b>	<b>711,904</b>	<b>10.9%</b>
30,466	0.5%	34,373	0.5%	37,645	0.6%	38,169	0.6%
(1,745)	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	143	0.0%	1	0.0%	0	0.0%
2,029	0.0%	2,397	0.0%	182,022	2.7%	186,192	2.8%
<b>30,750</b>	<b>0.5%</b>	<b>36,913</b>	<b>0.5%</b>	<b>219,668</b>	<b>3.3%</b>	<b>224,361</b>	<b>3.4%</b>
<b>656,710</b>	<b>10.4%</b>	<b>1,013,654</b>	<b>14.5%</b>	<b>562,049</b>	<b>8.4%</b>	<b>487,543</b>	<b>7.5%</b>
<b>656,710</b>	<b>10.4%</b>	<b>1,013,653</b>	<b>14.5%</b>	<b>562,049</b>	<b>8.4%</b>	<b>487,543</b>	<b>7.5%</b>

  

FY06		vs 2010-2011		vs 2011-2012		vs 2012-2013	
Food Revenue	242,098	4.0%	(467,149)	-6.9%	(103,854)	-1.6%	
Beverage Revenue	(10,712)	-6.4%	(18,546)	-10.5%	(11,446)	-6.8%	
Misc Dept Revenue	26,297	360.1%	30,496	982.3%	2,605	8.4%	
<b>Total Revenue</b>	<b>257,684</b>	<b>4%</b>	<b>(455,200)</b>	<b>-7%</b>	<b>(112,695)</b>	<b>-2%</b>	
Room Expense	91	100.0%	0	0.0%	0	0.0%	
Food Expense	(76,249)	-2.2%	236,722	6.2%	122,818	3.3%	
Beverage Expense	(917)	-2.5%	4,009	9.5%	6,203	14.0%	
<b>Departmental Expense</b>	<b>(77,075)</b>	<b>-2%</b>	<b>240,731</b>	<b>6%</b>	<b>129,021</b>	<b>3%</b>	
Administrative and General	(7,527)	-1.5%	12,194	2.3%	7,626	1.5%	
Sales and Marketing	(242,030)	-50.2%	(212,710)	-41.6%	(71,283)	-10.9%	
Energy	(2,620)	-0.8%	(10,372)	-3.3%	(1,271)	-0.4%	
Repairs and Maintenance	(55,757)	-20.4%	(64,604)	-24.4%	(22,566)	-7.4%	
Franchise Fees	(70)	0.0%	(11,537)	-8.6%	6,646	4.4%	
<b>Undistributed Expense</b>	<b>(388,005)</b>	<b>-18%</b>	<b>(287,028)</b>	<b>-16%</b>	<b>(80,848)</b>	<b>-4%</b>	
<b>Gross Operating Profit</b>	<b>(127,397)</b>	<b>-12%</b>	<b>(501,496)</b>	<b>-36%</b>	<b>(64,523)</b>	<b>-7%</b>	
<b>GOP Flow</b>	<b>-49.4%</b>	<b>-10.2%</b>	<b>-42.7%</b>				
Management Fees	151,842	45.5%	162,833	47.3%	(5,290)	-3.0%	
<b>Income before Fixed Expense</b>	<b>24,444</b>	<b>4%</b>	<b>(338,663)</b>	<b>-32%</b>	<b>(69,813)</b>	<b>-9%</b>	
Insurance	(7,703)	-25.3%	(3,796)	-11.0%	(524)	-1.4%	
Taxes	(1,745)	100.0%	0	0.0%	0	0.0%	
Leases	0	0.0%	143	100.0%	1	100.0%	
Other	(184,163)	-9075.5%	(183,795)	-7666.4%	(4,170)	-2.3%	
<b>Total Fixed Charges</b>	<b>(193,611)</b>	<b>-630%</b>	<b>(187,448)</b>	<b>-508%</b>	<b>(4,694)</b>	<b>-2%</b>	
<b>EBITDA</b>	<b>(189,167)</b>	<b>-26%</b>	<b>(526,111)</b>	<b>-52%</b>	<b>(74,506)</b>	<b>-13%</b>	
<b>Net Income</b>	<b>(169,168)</b>	<b>-26%</b>	<b>(526,110)</b>	<b>-52%</b>	<b>(74,506)</b>	<b>-13%</b>	