

# **Conference Center**

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## GRAND RIVER CONFERENCE CENTER

<b>Budget Highlights</b>	<b>FY 2024 Actual</b>	<b>FY 2025 Budget</b>	<b>FY 2026 Requested</b>	<b>% Change From FY 2025 Budget</b>
<u>Expenses</u>				
Employee Expense	28,953	30,359	32,025	5.5%
Supplies and Services	839,104	978,658	932,321	-4.7%
Machinery and Equipment	3,937	270,150	209,450	-22.5%
Total Expenses	871,994	1,279,167	1,173,796	-8.2%
Debt on Projects paid with Sales Tax Fund (20%)	26,808	28,686	28,021	-2.3%
Property Tax Support	871,994	1,279,167	1,173,796	(105,371)
Percent Increase (Decrease)				-8.2%

### Improvement Package Summary

#### **1 of 1**

This improvement package request seeks funding for phase 1 of security camera implementation at the Grand River Center, which would result in the addition of 10 cameras in the public areas of the facility. No security cameras are in the public space, entrances or exits. This project includes cameras, cabling and installation. The total cost in FY 2026 (\$50,000) will go towards the purchase of cameras. The recurring cost starting in fiscal year FY 2027 (\$2,700) will be for the license and maintenance contract. The first year license is included in the purchase price. Addition phases with more cameras may be needed and requested in future budget years. It is estimated that 2-3 total phases (including phase 1) would be necessary to implement all desired cameras. The total price for all planned phases (including phase 1) would be \$100,000, which would result in 36 camera through out the Grand River Center. This improvement supports the City Council goals of Vibrant Community: Healthy and Safe and Financially Responsible, High-Performance City Organization: Sustainable, Equitable, and Effective Service Delivery.

Related Cost:	\$ 47,300	Tax Funds	Non-Recurring	<b>Recommend - No</b>
Related Cost	\$2,700	Tax Funds	Recurring	
Total Cost	\$50,000			
Property Tax Impact:	\$ 0.0186	0.45%		
Activity: Conference Center				

### Significant Line Items

#### **Background**

1. The City has contracted with the firm Global Spectrum L.P., doing business as OVG360, to privately manage the Grand River Center. OVG360's management agreement began on March 31, 2023 and ends June 30, 2028 with an option for renewal to June 30, 2033.

#### **Employee Expense**

2. FY 2026 employee expense reflects a 3.00% wage package increase.

3. The Iowa Public Employee Retirement System (IPERS) City contribution of 9.44% is unchanged from FY 2025. The employee contribution of 6.29% is unchanged from FY 2025.

## **Supplies & Services**

OVG360 privately manages the Grand River Center. The following expenses are the responsibility of the City based on the Facility Management Agreement:

4. Building Maintenance is unchanged from \$25,000 in FY 2025 to \$25,000 in FY 2026. This line item represents building additions, alterations, repairs, or improvements where the cost for the expenditure is greater than \$5,000 and the depreciable life of the applicable item is in excess of one year.
5. Insurance costs (property and general liability) increased from \$103,658 in FY 2025 to \$106,921 in FY 2026 based on information received from Iowa Communities Assurance Pool (ICAP).
6. Pay to Other Agency decreased from \$850,000 in FY 2025 to \$800,000 in FY 2026. The management agreement establishes that OVG360 submits this proposed budget each October. This line item includes the fixed annual management fee that adjusts each year based on the Consumer Price Index (FY 2026 is \$158,363), as well as well as the amount that is provided to OVG360 to cover the operating loss of the Grand River Center (FY 2026 is \$641,637).

## **Fixed Annual Management Fee**

The management agreement with OVG360 establishes that the fixed management fee is \$150,000 in the first year (FY 2024), and adjusted in each subsequent year according to the June consumer price index for all urban consumers, Midwest region, not seasonally adjusted (CPIU).

- In FY 2024 the fixed management fee was \$150,000
- In FY 2025 the fixed management fee was \$153,750 (prior year plus the June CPIU of 2.50%).
- In FY 2026 the fixed management fee is estimated to \$158,363 (prior year plus the estimated June CPIU of 3.00%)

## **Amount to Cover the Operating Loss**

The management agreement with OVG360 establishes that the City will cover the operating loss of the Grand River Center, which is the difference between all revenues and expenses for the Grand River Center.

- In FY 2024, this amount was \$726,807
- In FY 2025, the amount is budgeted at \$696,250
- In FY 2026, the amount to cover the operating loss is expected to be \$641,637.

OVG360 maintains a city operating account that all revenues and expenses outlined in the Management Agreement flow into on a fiscal year basis. OVG360 expects a trend of increased bookings resulting in a better revenue and expense profile in FY 2027 and beyond. This expectation is due to the restoration of commercial air service, current and planned aggressive marketing efforts, partnership with Travel Dubuque, improved guest and customer experiences,

diversification of events, improved cleanliness, and greatly improved food and beverage offerings.

## Equipment

7. The following equipment will be replaced in FY 2026 (\$209,450):

<b>Conference Center Machinery and Equipment</b>	
Toilet and urinal auto flushers	\$ 28,400
Janitorial equipment - floor machines and carts	\$ 15,000
Replacement tables and carts-175 round	\$ 8,850
Replacement tables 300 classroom & 100 30" rectangle	\$ 72,300
AV Equipment	\$ 10,000
Heated food/plate cabinets	\$ 24,900
Staging	\$ 50,000
<b>Total Equipment</b>	<b><u>\$ 209,450</u></b>

## Capital and Equipment Investment

8. Recognizing the need for capital and equipment investment due to a possible management company change, the City Council approved in the FY 2024 budget a capital and equipment replacement fund to invest in needed upgrades to the Grand River Center facility. \$357,700 was spent on six new boilers which heat the facility, \$99,479 on the renewal of chiller 2 adaptive frequency drive (AFD), \$15,800 for replacing ABB drive on air handler 2, \$10,316 for parking garage water line replacement, \$15,450 for light bulb replacement, \$36,044 parking garage light replacements, \$33,984 for walk in cooler floor repairs, and \$3,744 re-striping parking garage.

Prior approved budgets for equipment replacements and repairs have been completed in FY 2024 and FY 2025, such as the purchase of a new combination oven, office chairs, stacking chairs for exhibit hall, garbage disposal, repairs to a walk in cooler, boiler supply and return piping replacement, serving tables and table covers, replacement pipe, drape and skirting, with more replacements and capital improvements in the works currently. These investments were critical to the operations of the facility.

## Debt Service

9. FY 2026 Annual Debt Service is as follows (\$28,021):

Amount	Debt Series	Payment Source	Purpose	Final Payment	Call Date
\$ 2,649	2019C G.O.	Sales Tax 20%	Conference Center Improvements	2027	2026
\$ 25,372	2019B G.O.	Sales Tax 20%	Energy Improvements	2039	2039
<b><u>\$ 28,021</u></b> Total Conference Center Annual Debt Service					

*For Conference Center Performance Measures, see Five Flags Civic Center Outline*

**Recommended Operating Revenue Budget - Department Total**  
**33 - CONFERENCE CENTER**

Fund/Account/Account Title	FY23 Actual Revenue	FY24 Actual Revenue	FY25 Adopted Budget	FY26 Recomm'd Budget
<b>100 - General</b>				
<b>4A - Charges for Services</b>				
47100 - Reimbursements	0	(300)	0	0
<b>4A - Charges for Services Total</b>	<b>0</b>	<b>(300)</b>	<b>0</b>	<b>0</b>
<b>4N - Transfers</b>				
49102 - Transfer in DRA Distribution	0	0	0	0
<b>4N - Transfers Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>200 - Debt Service</b>				
<b>4N - Transfers</b>				
49304 - Transfer in Sales Tax 20%	(33,063)	(26,808)	(28,686)	(28,021)
<b>4N - Transfers Total</b>	<b>(33,063)</b>	<b>(26,808)</b>	<b>(28,686)</b>	<b>(28,021)</b>
<b>4O - Eliminated for GW</b>				
48200 - Proceeds from GO Debt	0	0	0	0
48205 - Bond Discount/Premium	0	0	0	0
<b>4O - Eliminated for GW Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4A - Charges for Services</b>				
47450 - Sale of Salvage	0	(4,303)	0	0
<b>4A - Charges for Services Total</b>	<b>0</b>	<b>(4,303)</b>	<b>0</b>	<b>0</b>
<b>CONFERENCE CENTER - Total</b>	<b>(33,063)</b>	<b>(31,411)</b>	<b>(28,686)</b>	<b>(28,021)</b>

**Recommended Operating Expenditure Budget - Department Total**  
**33 - CONFERENCE CENTER**

Fund/Account/Account Title	FY23 Actual Expense	FY24 Actual Expense	FY25 Adopted Budget	FY26 Recomm'd Budget
<b>6A - Salaries &amp; Wages</b>				
<b>100 - General</b>				
60100 - Salaries-Regular Full Time	17,091	22,745	23,974	25,335
60635 - Special Pay Sick Lv Payout 50%	196	243	206	250
<b>6A - Salaries &amp; Wages Total</b>	<b>17,287</b>	<b>22,988</b>	<b>24,180</b>	<b>25,585</b>
<b>6B - Employee Benefits</b>				
<b>100 - General</b>				
61100 - FICA - City Contribution	1,286	1,710	1,850	1,957
61300 - IPERS - City Contribution	1,613	2,147	2,263	2,415
61510 - Health Insurance	2,014	2,058	2,013	2,013
61540 - Life Insurance	5	7	7	7
61600 - Workers' Compensation	0	42	46	48
<b>6B - Employee Benefits Total</b>	<b>4,918</b>	<b>5,965</b>	<b>6,179</b>	<b>6,440</b>
<b>6D - Repair/Maint/Util</b>				
<b>100 - General</b>				
63100 - Building Maintenance	39,687	101,302	25,000	25,000
63321 - Vehicle Repair - Outsourced	0	0	0	0
63400 - Equipment Maint/Repair	1,993	0	0	0
63710 - Electricity	0	0	0	0
63711 - Natural Gas	0	0	0	0
<b>6D - Repair/Maint/Util Total</b>	<b>41,679</b>	<b>101,302</b>	<b>25,000</b>	<b>25,000</b>
<b>6E - Contractual Svcs</b>				
<b>100 - General</b>				
64080 - Insurance - Property	62,723	74,868	101,958	105,084
64081 - Insurance - Liability	637	1,397	1,700	1,837
64130 - Payments to Other Agencies	425,031	659,366	850,000	800,000
64185 - License/Permit/Fees	0	0	0	0
64190 - Technology Services	493	1,772	0	0
64975 - Equip Maint Cont	399	399	0	400
64980 - Technology Equip Maint Cont	0	0	0	0
64990 - Other Contractual Service	0	0	0	0
<b>200 - Debt Service</b>				
64110 - Legal	0	0	0	0
64900 - Other Professional Service	0	0	0	0
<b>6E - Contractual Svcs Total</b>	<b>489,283</b>	<b>737,802</b>	<b>953,658</b>	<b>907,321</b>
<b>6F - Commodities</b>				

**Recommended Operating Expenditure Budget - Department Total**  
**33 - CONFERENCE CENTER**

Fund/Account/Account Title	FY23 Actual Expense	FY24 Actual Expense	FY25 Adopted Budget	FY26 Recomm'd Budget
<b>6A - Salaries &amp; Wages</b>				
<b>100 - General</b>				
65045 - Technology Equipment	1,081	0	11,000	0
65050 - Other Equipment	0	3,937	259,150	209,450
<b>6F - Commodities Total</b>	<b>1,081</b>	<b>3,937</b>	<b>270,150</b>	<b>209,450</b>
<b>6G - Capital Outlay</b>				
<b>100 - General</b>				
67100 - Vehicles	0	0	0	0
67270 - Other Capital Equipment	0	0	0	0
<b>6G - Capital Outlay Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>6H - Debt Service</b>				
<b>200 - Debt Service</b>				
68010 - Principal Payment	24,885	23,936	26,091	26,209
68020 - Interest Payments	4,125	2,872	2,595	1,812
68990 - Paying Agent Fees	0	0	0	0
<b>6H - Debt Service Total</b>	<b>29,010</b>	<b>26,808</b>	<b>28,686</b>	<b>28,021</b>
<b>CONFERENCE CENTER - TOTAL</b>	<b>583,258</b>	<b>898,803</b>	<b>1,307,853</b>	<b>1,201,817</b>

**Recommended Expenditure Budget Report by Activity & Funding Source**  
**32 - CIVIC CENTER**

<b>Fund/Activity</b>	<b>FY24 Actual Expense</b>	<b>FY25 Adopted Budget</b>	<b>FY26 Recomm'd Budget</b>
<b>3301 - Administration</b>			
<b>100 - General</b>			
6A - Salaries & Wages	22,988	24,180	25,585
6B - Employee Benefits	5,965	6,179	6,440
6D - Repair/Maint/Util	101,302	25,000	25,000
6E - Contractual Svcs	737,802	953,658	907,321
6F - Commodities	3,937	270,150	209,450
6G - Capital Outlay	—	—	—
<b>3301 - Administration Total</b>	<b>871,994</b>	<b>1,279,167</b>	<b>1,173,796</b>
<b>3380 - Debt Service</b>			
<b>200 - Debt Service</b>			
6E - Contractual Svcs	—	—	—
6H - Debt Service	26,808	28,686	28,021
<b>3380 - Debt Service Total</b>	<b>26,808</b>	<b>28,686</b>	<b>28,021</b>
<b>CONFERENCE CENTER TOTAL</b>	<b>898,803</b>	<b>1,307,853</b>	<b>1,201,817</b>

Capital Improvement Projects by Department/Division					
CONF CENTER OPERATION					
Project Number	Capital Improvement Project Title	Department	Fund	Account	FY26 Recomm'd Budget
3346000014	Public Restroom Remodels	Conference Center	305	67500	365,500
3346000014	Public Restroom Remodels	Conference Center	305	64004	19,500
<b>CONF CENTER OPERATION</b>		<b>TOTAL</b>			<b>\$385,000</b>

PROGRAM/ DEPT	PROJECT DESCRIPTION	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	TOTAL	PAGE
<b>CONFERENCE CENTER</b>								
<b>General Government</b>								
	Replace Carpet	\$ —	\$ —	\$ 65,000	\$ 299,000	\$ 364,000		62
	Roof Restoration	\$ —	\$ —	\$ 33,000	\$ 1,350,000	\$ —	\$ 1,383,000	63
	Dishwasher and Water Softener Replacement	\$ —	\$ 181,000	\$ —	\$ —	\$ —	\$ 181,000	64
	Public Restroom Remodels	\$ 385,000	\$ —	\$ —	\$ —	\$ —	\$ 385,000	65
	<b>TOTAL</b>	<b>\$ 385,000</b>	<b>\$ 181,000</b>	<b>\$ 33,000</b>	<b>\$ 1,415,000</b>	<b>\$ 299,000</b>	<b>\$ 2,313,000</b>	

**CITY OF DUBUQUE, IOWA**  
**DEPARTMENT DETAIL - PERSONNEL COMPLEMENT**

**33 CONFERENCE CENTER**

FD	JC	WP-GR	JOB CLASS	FY 2026	
				FTE	BUDGET
<b>61010 Full Time Employee Expense</b>					
			PARKS AND RECREATION		
100	1535	GE-21	DIRECTOR	0.15	\$ 25,335
			<b>TOTAL FULL TIME EMPLOYEES</b>		<b>0.15 \$ 25,335</b>
			<b>TOTAL CONFERENCE CENTER DIVISION</b>	<b>0.15</b>	<b>\$ 25,335</b>

**CITY OF DUBUQUE, IOWA**  
**ACTIVITY PERSONNEL COMPLEMENT SUMMARY**

ACCT	FD	JC	WP-GR	POSITION CLASS	FY 2026	
					FTE	BUDGET
<b>Conference Center Operation</b>						
				PARKS AND RECREATION		
3201	60100	100	1535	GE-21 DIRECTOR	0.15	\$ 25,335
				<b>Total</b>	0.15	\$ 25,335
<b>TOTAL CONFERENCE CENTER DIVISION</b>					<b>0.15</b>	<b>\$ 25,335</b>