

RENAISSANCE SCHAUMBURG HOTEL AND CONVENTION CENTER

**VILLAGE OF
SCHAUMBURG, ILLINOIS**



2016 BUDGET

**FOR THE FISCAL YEAR BEGINNING
JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016**

**RENAISSANCE SCHAUMBURG HOTEL AND CONVENTION CENTER
2016 ANNUAL BUDGET
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2016
AND ENDING DECEMBER 31, 2016**

December 7, 2015

The Honorable President Larson and Members of the Board of Trustees
Residents of the Village of Schaumburg

We respectfully submit the proposed budget for the Village-owned Renaissance Schaumburg Hotel and Convention Center for the fiscal year beginning January 1, 2016 and ending December 31, 2016 (the “2016 Budget”).

EXECUTIVE SUMMARY

After surpassing original expectations from its opening in 2006 through 2008, the Renaissance Schaumburg Hotel and Convention Center was adversely affected by the most recent recession with significantly lower revenues being received than originally projected. We began seeing some lift in occupancy rates, revenues and net house profit in 2012 and 2013, 2014, and 2015 furthered the trend. We expect further improvement in 2016.

Following are some of the more important facts regarding the 2016 hotel and convention center budget.

- For 2015, combined revenues and expenses (excluding depreciation) are expected to result in a surplus of \$5.6 million. This compares favorably to the \$4.2 million surplus that was budgeted.
- For 2016, the change in net assets before depreciation is expected to be negative \$1.18 million, but includes \$9.2 million in capital expenditures for the second phase of renovations; \$2 million is a carryover from last year.
- Total revenue for 2016 is estimated at \$59.5 million, an increase of 0.6% of the 2015 budget.
- Total expenses (excluding depreciation) for 2016 are budgeted at \$60.7 million, including \$9.2 million for FF&E improvements, which is an increase of 10.4% over the 2015 budget.
- The balance of cash and investments in the Hotel and Convention Center Fund (the fund used to account for tax revenues and payment of debt service) is expected to increase \$3,029,295 in 2015, going from \$16.2 million to \$19.3 million.
- Total cash and investments in the Hotel and Convention Center fund at December 31, 2016 are estimated to be \$22,018,269.
- Hotel and convention center operations are expected to contribute \$5,160,566 towards the \$9,459,062 of interest expense and \$1,565,000 of bond principal coming due in 2016.
- Revenues relating to the operations of the hotel and convention center are expected to total \$45.7 million, a 3.2% increase over the 2015 budget. Expenses relating to the operations of the property are budgeted at \$51.2 million, an increase of 7.8% over the 2015 budget.
- After depreciation and amortization expenses of \$5.6 million, total net assets are expected to decrease \$6.8 million in 2016, for an ending balance of (\$18,857,638).

Depreciation expense is the annual recognition of the reduction in building and equipment value over a period of 10-45 years depending on the estimated life of the actual asset. Amortization expense is the annual recognition of past expenses, such as bond issuance costs associated with the construction of the property. Both depreciation and amortization expenses are noncash transactions meaning they do not require a payment of cash and, therefore, are not considered operating expenses but are factored into the total net asset value.

BUDGET CONTENTS AND FORMAT

The annual budget for the hotel and convention center enterprise is presented separate and apart from the Village’s primary budget document due to it being assigned a different fiscal year pursuant to the terms of the Qualified Management Agreement entered into with Renaissance Hotel Management Company, the property’s operating manager. Prior to 2013, the fiscal year of the hotel and convention center ended on the Friday closest to December 31st, the same as Marriott International and its Renaissance Hotel Management Company. Beginning with 2013, Marriott decided to change its fiscal year-end and reporting to reflect twelve calendar months and a December 31st fiscal year-end. For 2016, the fiscal year runs from January 1, 2016 through December 31, 2016. The following table reflects the actual fiscal periods involved:

Budget Fiscal Year Reference	Actual Fiscal Year
2012	December 31, 2011 through December 28, 2012
2013	December 29, 2012 through December 31, 2013
2014	January 1, 2014 through December 31, 2014
2015	January 1, 2015 through December 31, 2015
2016	January 1, 2016 through December 31, 2016

The Village maintains two funds relating to the hotel and convention center; the Hotel/Convention Center Fund and the Renaissance Hotel & Convention Center Operating Fund. The Hotel and Convention Center Fund accounts for fixed assets, related debt and debt service payments, and the tax revenues dedicated to the project. The Renaissance Hotel and Convention Center Fund accounts for the operating revenue and expenses of the hotel and convention center, as managed by Renaissance/Marriott. For annual financial reporting purposes, the two funds are consolidated and reported as one enterprise fund. The construction fund was closed in 2011, and the assets, liabilities, and fund equity transferred to the Hotel and Convention Center Fund

2015 RESULTS

It was originally expected that the combined financial results for 2015 would show a surplus of \$2,091,152 before depreciation expense. We currently expect revenues to miss amended budget expectations; however, we also expect expenses to come in under budget, resulting in a surplus of \$4.2 million. This is slightly lower than the results of 2014. After depreciation and amortization expenses of \$5.6 million, the hotel and convention center is expected to report a net surplus of \$17,959 for 2015.

**2015 Projected Financial Results – All Funds
(Amounts in \$1,000's)**

	Amended Budget	Projected Actual	Dollar Variance	% Variance
Revenues (Excluding Transfers)	\$ 51,982	\$ 51,040	\$ (942)	(1.8) %
Expenses (Excluding Depreciation And Transfers)	49,891	46,882	(3,009)	(6.0)%
Net Income (Loss) Before Depreciation	2,091	4,158	2,067	98.9%
Depreciation Expense	6,517	5,640	(877)	(13.5)%
Net (Loss)	\$ (4,426)	\$ (1,482)	\$ 2,944	(66.5)%

2016 BUDGET SUMMARY – ALL FUNDS

The 2016 combined budget for the hotel and convention center funds are based on the assumption that the economy will continue to improve in 2016. We are projecting net income before depreciation expense of \$5.7 million for 2015, which is an improvement over the \$4.2 million surplus that was budgeted for 2015. The amount expected to be transferred from hotel operations to the Village for debt service in 2016 is \$5,160,566.

**Summary of 2016 Budget Compared to 2015
(Amounts in \$1,000's)**

	2015 Amended Budget	2015 Projection	2016 Budget	% Change from 2015 Budget
Revenues				
Taxes and Intergovernmental	\$ 7,062	\$ 6,892	\$ 7,000	(0.9) %
Operating Revenues	44,332	44,043	45,736	3.2 %
Investment Income	42	69	70	67.8 %
Miscellaneous	547	36	38	(93.1) %
Operating Transfers In	5,658	5,754	5,161	(8.8) %
Equity Transfers In	1,500	1,500	1,500	0.0 %
Total Revenues	59,141	58,294	59,505	0.6%
Expenses				
Operating Expenses	35,913	36,312	36,829	2.5 %
Interest Expense	9,526	9,526	9,459	(0.7) %
Capital Outlay	4,452	1,045	9,232	107.4 %
Operating Transfers Out	5,083	5,753	5,161	1.5 %
Total Expenses	54,975	52,636	60,681	10.4 %
Net (Loss) Before Depreciation	4,166	5,658	(1,176)	(128.2) %
Depreciation Expense	6,517	5,640	5,617	(13.8) %
Net (Loss)	\$ (2,351)	\$ 18	\$ (6,793)	189.0 %

2015 operating revenues of the hotel are expected to increase 3.8% over current 2015 projections. Operating expenses are expected to increase 1.4% over current 2015 projections. More information on tax revenues and operating results can be found in the fund summaries later in this budget message.

HOTEL & CONVENTION CENTER FUND

The Hotel and Convention Center Fund accounts for the receipt of various revenues earmarked for payment of debt service on the bonds issued to fund construction of the property. The fund also holds the assets and liabilities related to the property itself.

Actual results for 2015 are expected to come in better than budget. The budget projected a surplus of \$4.17 million, excluding depreciation. We now anticipate that 2015 will end up with net income of \$5.66 million before depreciation.

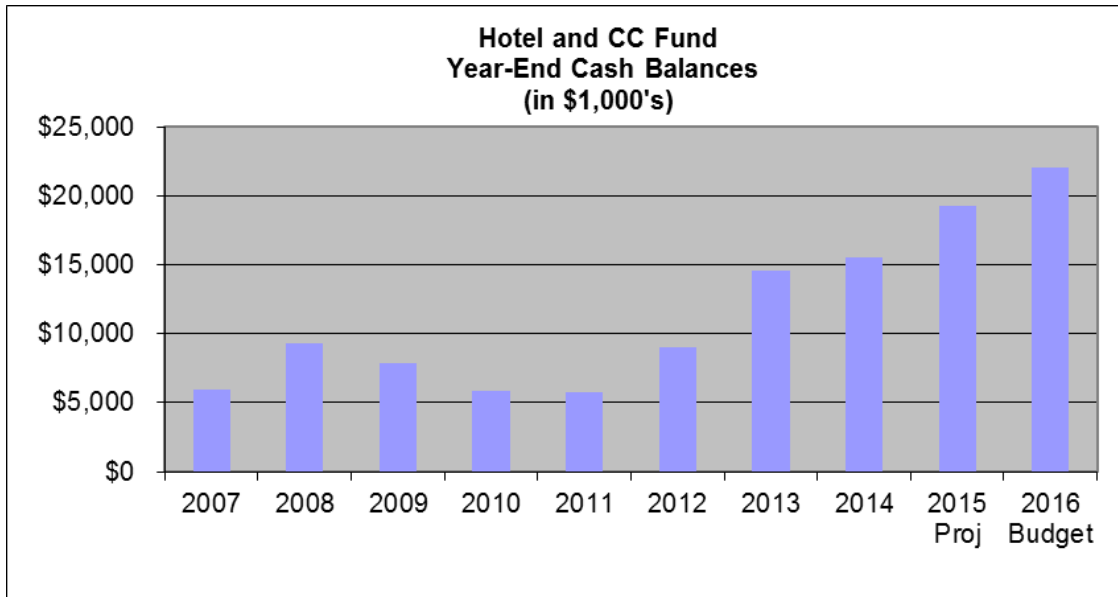
For 2015, revenues are expected to exceed expenses (excluding depreciation) by \$4.3 million. After depreciation and amortization expenses of \$5.6 million, the fund is showing a \$1.3 million decrease in net assets.

The following table summarizes the Hotel and Convention Center Fund for 2015 and 2016.

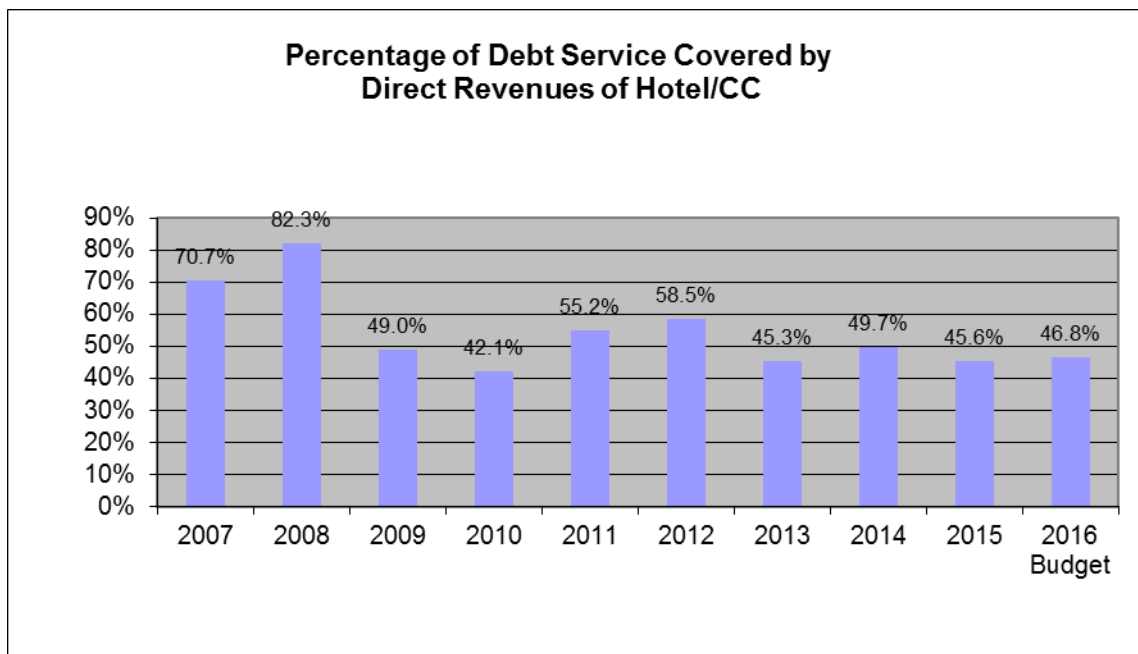
Hotel and Convention Center Fund Changes in Net Assets (Amounts in \$1,000's)

	2015 Budget	2015 Projected	2016 Budget	% Change to Budget
Revenues				
Transfer from Hotel	\$ 5,658	\$ 5,753	\$ 5,161	(8.8) %
Equity Transfer In	1,500	1,500	1,500	0.0 %
Direct Project Taxes	2,324	2,026	2,054	(11.5) %
General Taxes	4,738	4,866	4,946	4.3 %
Other Income	572	95	98	(82.8)%
Total Revenues	14,792	14,240	13,759	(7.0) %
Expenses (Excluding Depreciation)				
Bond Interest	9,526	9,526	9,459	(0.7) %
Professional Services	41	55	1	(97.1) %
Total Expenses	9,567	9,581	9,460	(11.1) %
Change in Net Assets Before Depreciation and Amortization	5,225	4,659	4,299	(17.7) %
Depreciation and Amortization	6,517	5,640	5,617	(13.8) %
Change in Net Assets	(1,292)	(981)	(1,318)	(2.0) %
Net Assets – Beginning	(15,083)	(15,544)	(16,525)	
Net Assets – Ending	\$(16,375)	\$ (16,525)	\$(17,843)	(9.0)%

Cash and investments are expected to total \$19,284,718 at the end of 2015 and \$22,018,269 at the end of 2016. Following is a graph that shows year-end cash and investment balances.



When the hotel and convention center project was approved, direct revenues of the hotel and convention center were not expected to cover the entire amount of annual debt service. Direct revenues includes the transfer from Renaissance from operations, and the hotel tax, sales taxes, food and beverage taxes, and telecommunications taxes generated by the property. Because of the expected economic benefits of the hotel and convention center, certain general tax revenues are used to cover the difference. The following graph illustrates the percentage of debt service covered by direct revenues of the hotel and convention center. As can be seen, the percentage reached a high of 82% in 2008, but dropped to a low of 42% for 2010. For 2015 the coverage is estimated at 46.8%.



RENAISSANCE HOTEL & CONVENTION CENTER FUND

The Renaissance Hotel & Convention Center Fund accounts for the day to day operations of the hotel and convention center. Renaissance Hotel Management Company, part of Marriott International, has been retained under Qualified Management Agreement, to manage the property on a day to day basis. The budget for this fund has been prepared based on estimates prepared by Village staff, property staff and its consultants.

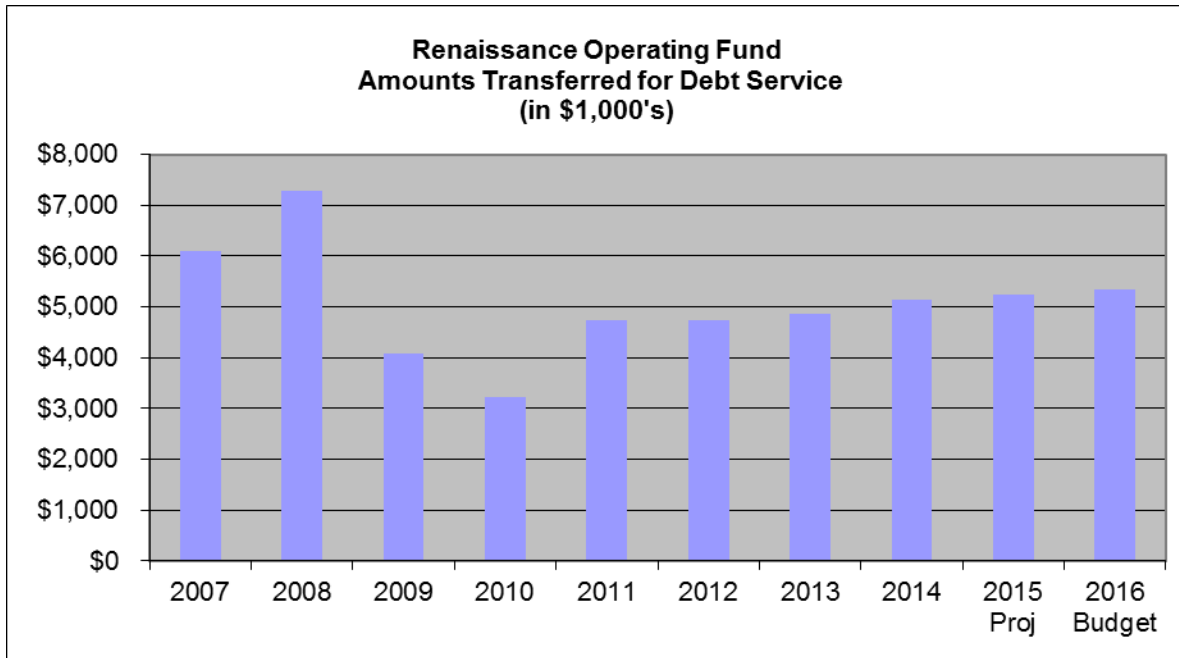
For 2015 the Fund is expected to report a net change in assets of \$998,257, compared to an original budget deficit of (\$1,058,879). Renaissance is expected to distribute \$6.25 million to the Hotel and Convention Center Fund in 2015, of which \$5,244,384 is for debt service less owner's expense. For 2015, a net surplus of \$998,257 is projected which includes FF&E improvements totaling \$1.045 million.

Following is a summary of the 2015 budget, with a comparison to the budget and current projections for 2015 and 2016.

Renaissance Hotel & Convention Center Fund Budget Summary
(Amounts in \$1,000's)

	2015 Budget	2015 Projected	2016 Budget	% Change From 2015 Budget	% Change From 2015 Projected
Revenues	\$44,332	\$44,043	\$45,746	3.2 %	3.9 %
Expenses					
Operations	35,872	36,256	36,828	2.7 %	1.6 %
Capital Outlay	4,452	1,045	9,232	107.4 %	784 %
Transfer to Village	5,083	5,754	5,161	1.5 %	(10.3) %
Total Expenses	45,407	43,055	51,221	12.8 %	19%
Change in Net Assets	(1,075)	988	(5,475)	(409) %	(654) %
Net Assets, BOY	\$ 2,207	3,462	4,460	102.1 %	28.8%
Net Assets, EOY	\$ 1,132	\$ 4,450	(\$1,015)	(189.7) %	(122.8) %

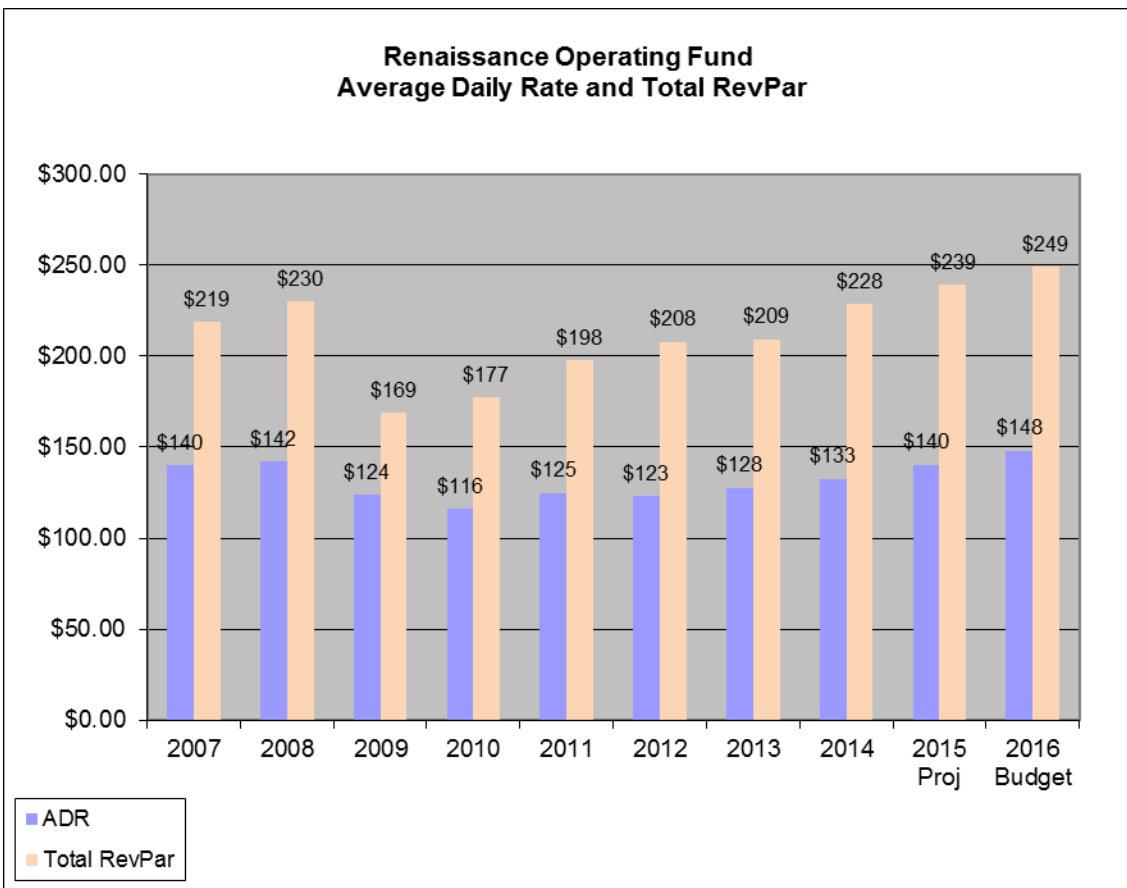
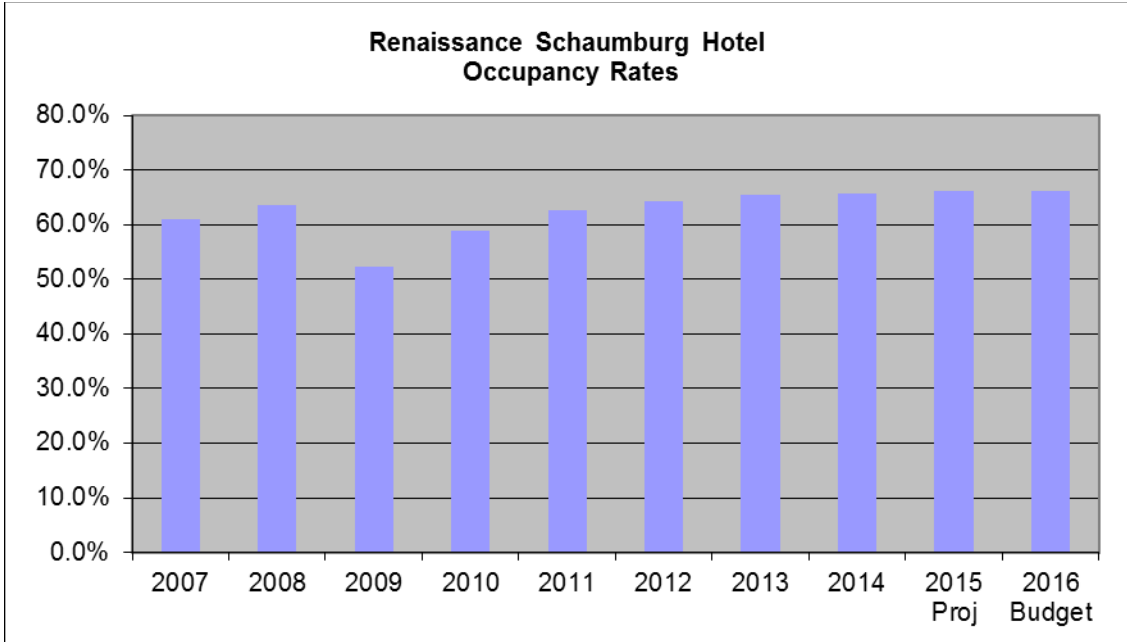
Following is a summary of the transfers made by Renaissance to the Village for debt service:



The amount transferred to the Village for debt service is determined based upon an established cash flow waterfall as set forth in the Qualified Management Agreement. Primary debt service is the first bucket under the waterfall. Primary debt service started at \$4,750,000 per year in 2006 and increases 2% per year commencing in 2012, the debt service due for 2016 is \$5,349,276. Any owner's expenses for asset management or other projects are deducted from the debt service distribution. For 2016, the full amount of debt service is projected to be distributed and an additional \$1,633,537 for other categories in the waterfall such as Prior year's debt service, FF&E and Capital reserves.

Renaissance was able to transfer supplemental debt service payments of \$1.1 million in 2007 and \$2.7 million in 2008, but has not made any supplemental debt service payments since 2008 due to the recession. In fact, Renaissance was not able to meet the entire primary debt service requirement from 2009 through 2011. Renaissance did meet the minimum for primary debt service in 2013 and 2014 and in 2015 paid \$102,732 in prior year's debt service.

Revenue for 2016 is expected to increase 3.9% over the current projections for 2015. This increase is driven by increases in the average daily rate and food & beverage sales. Following are two graphs that illustrate trends in occupancy rates, average daily rates, and total revenue per available room (RevPar).



Status of Reserve Accounts: As previously mentioned, the Qualified Management Agreement between Renaissance and the Village provides for a specific flow of funds after paying operating expenses. The designated waterfall of surplus funds provides for a transfer to the Village for debt service, deposits into a furniture, fixture & equipment reserve account, payment of a secondary management fee, replenishment of the operating reserve account, and then payments to a capital reserve account. Any funds remaining after these set distributions can also be paid over to the Village for purposes of paying debt service.

Based on projected operating results, the Renaissance expects to distribute a total of \$6,982,813 to the Village. Debt Service will be funded first and then current year FF&E and Capital reserves will be funded. If cash flows allow, prior year obligations will be funded, as well.

The following table reflects the projected liabilities for unfunded QMA requirements at the end of 2015 and 2016.

Projected QMA Waterfall Liabilities for 2015 and 2016

QMA Requirement	Estimated Outstanding Balance at 12/31/15	Estimated Outstanding Balance at 12/31/16
Prior Years Primary Debt Service	(102,732)	0
FF&E Reserve	4,067,822	2,019,525
Secondary Management Fees	1,610,133	1,962,558
Capital Reserve	3,797,591	4,545,114
Total Outstanding Waterfall Liabilities	\$9,372,815	\$8,527,197

The QMA waterfall liabilities have been steadily growing since 2008 due to the severe recession, but progress has been made toward funding some of the outstanding liabilities in recent years. Because of the projected \$8.5 million waterfall liability, it is unlikely the Village will see supplemental debt service payments for several years, resulting in the continued use of general tax revenue to meet its debt service requirements. While Marriott can only be paid the secondary management fees if funds are available under the waterfall, they can require the Village to advance additional funds to cover needed capital expenditures given the lack of funding in the FF& E and Capital reserve accounts. We do expect that the Village to have to make additional contributions towards capital improvements in 2016.

ACKNOWLEDGEMENTS

We would like to thank the Village President and members of the Board of Trustees for the foresight, courage, and leadership in undertaking such a large venture as the Renaissance Schaumburg Hotel and Convention Center. Their direction and policies have been the guiding principles in the preparation of this budget document.

We would also like to thank Renaissance Hotel Management Company and Marriott International for making the Village’s hotel one of the highest rated properties in the Marriott family, and for the responsible and prudent manner in which they carry out their duties.

Respectfully submitted,

Brian Townsend
Village Manager

Lisa Happ
Director of Finance

VILLAGE OF SCHAUMBURG
HOTEL AND CONVENTION CENTER OPERATIONS
2016 ANNUAL BUDGET
FISCAL YEAR BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016

BUDGET SUMMARY - ALL FUNDS

	Actual 2014	Amended Budget 2015	Projected 2015	Original Budget 2016	% Change 2015 Budget
REVENUES					
Taxes	6,463,511	6,875,009	6,715,984	6,822,645	-0.8%
Intergovernmental	194,863	186,500	175,844	177,602	-4.8%
Charges for Services	41,887,616	44,331,662	44,042,741	45,735,524	3.2%
Investment Income	49,872	41,876	69,245	70,250	67.8%
Miscellaneous	546,703	547,359	36,000	38,000	-93.1%
Subtotal	49,142,565	51,982,406	51,039,814	52,844,021	1.7%
Operating Transfers In	4,966,534	5,658,255	5,753,459	5,160,566	-8.8%
Equity Transfers In	55,985	1,500,000	1,500,000	1,500,000	0.0%
Total Revenues	54,165,084	59,140,661	58,293,273	59,504,587	0.6%
EXPENSES					
Hotel & Convention Center Operations	34,302,245	35,871,932	36,256,270	36,827,636	2.7%
Other Operating Expenses	1,175	41,200	55,100	1,200	-97.1%
Interest Expense	9,574,077	9,525,892	9,525,892	9,459,062	-0.7%
Capital Outlay	604,422	4,452,230	1,045,000	9,232,413	107.4%
Subtotal	44,481,919	49,891,254	46,882,262	55,520,311	11.3%
Operating Transfers Out	4,966,534	5,083,255	5,753,459	5,160,566	1.5%
Equity Transfers Out	55,985	0	0	0	0.0%
Total Expenses	49,504,438	54,974,509	52,635,721	60,680,877	10.4%
CHANGE IN NET ASSETS BEFORE					
DEPRECIATION AND AMORT. EXPENSE	4,660,646	4,166,152	5,657,552	(1,176,290)	-128.2%
DEPRECIATION AND AMORTIZATION EXPENSE	6,519,311	6,516,876	5,639,593	5,617,218	-13.8%
CHANGE IN NET ASSETS	(1,858,665)	(2,350,724)	17,959	(6,793,508)	189.0%
NET ASSETS					
Beginning of Period	(10,223,424)	(12,876,160)	(12,082,089)	(12,064,130)	-6.3%
End of Period	(12,082,089)	(15,226,884)	(12,064,130)	(18,857,638)	23.8%

**VILLAGE OF SCHAUMBURG
HOTEL AND CONVENTION CENTER OPERATIONS
2016 ANNUAL BUDGET
FISCAL YEAR BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016**

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	<u>Total All Funds</u>	<u>Hotel and Conv. Ctr. Fund</u>	<u>Renaissance Hotel and CC Operating Fd.</u>
Revenues	59,504,587	13,758,813	45,745,774
Expenses (Excluding Depreciation and Amortization)	<u>60,680,877</u>	<u>9,460,262</u>	<u>51,220,615</u>
Change in Net Assets Before Depreciation And Amortization Expense	(1,176,290)	4,298,551	(5,474,841)
Depreciation and Amortization Expense	<u>5,617,218</u>	<u>5,617,218</u>	<u>0</u>
Change in Net Assets	(6,793,508)	(1,318,667)	(5,474,841)
Beginning Net Assets - 2015 Projection	<u>(12,064,130)</u>	<u>(16,524,112)</u>	<u>4,459,982</u>
Ending Net Assets	<u><u>(18,857,638)</u></u>	<u><u>(17,842,779)</u></u>	<u><u>(1,014,859)</u></u>

**VILLAGE OF SCHAUMBURG
HOTEL AND CONVENTION CENTER OPERATIONS
2016 ANNUAL BUDGET
FISCAL YEAR BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016**

SUMMARY OF REVENUES BY TYPE - ALL FUNDS

	<u>Actual 2014</u>	<u>Amended Budget 2015</u>	<u>Projected 2015</u>	<u>Budget 2016</u>	<u>% Change 2015 Budget</u>
Taxes					
Amusement Surcharge	1,192,796	1,206,263	1,244,207	1,256,649	4.2%
Telecomm Tax - Renaissance Hotel	5,324	5,078	6,000	5,500	8.3%
Hotel Tax - Renaissance Hotel	1,277,031	1,508,815	1,334,085	1,354,096	-10.3%
Hotel Tax - Other Hotels	1,474,687	1,496,250	1,585,935	1,633,513	9.2%
Food & Bev. Tax - Renaissance	341,722	436,700	334,510	339,528	-22.3%
Food & Beverage Tax	1,977,088	2,035,403	2,035,403	2,055,757	1.0%
Home Rule Sales Tax- Renaissance	194,863	186,500	175,844	177,602	-4.8%
Total Taxes	<u>6,463,511</u>	<u>6,875,009</u>	<u>6,715,984</u>	<u>6,822,645</u>	<u>-0.8%</u>
Intergovernmental					
State Sales Tax - Renaissance	<u>194,863</u>	<u>186,500</u>	<u>175,844</u>	<u>177,602</u>	<u>-4.8%</u>
Charges for Services					
Hotel & Conv Center Operations	<u>41,887,616</u>	<u>44,331,662</u>	<u>44,042,741</u>	<u>45,735,524</u>	<u>3.2%</u>
Investment Income					
Interest on Investments	<u>49,872</u>	<u>41,876</u>	<u>69,245</u>	<u>70,250</u>	<u>67.8%</u>
Miscellaneous Revenue					
Miscellaneous Income	37,344	38,000	36,000	38,000	0.0%
Amortized Bond Premium	<u>509,359</u>	<u>509,359</u>	<u>0</u>	<u>0</u>	<u>-100.0%</u>
	<u>546,703</u>	<u>547,359</u>	<u>36,000</u>	<u>38,000</u>	<u>-93.1%</u>
Operating Transfers In					
Operating Transfers In	4,966,534	5,658,255	5,753,459	5,160,566	-8.8%
Equity Transfers In	<u>55,985</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>0.0%</u>
	<u>5,022,519</u>	<u>7,158,255</u>	<u>7,253,459</u>	<u>6,660,566</u>	<u>-7.0%</u>
TOTAL REVENUES	<u>54,165,084</u>	<u>59,140,661</u>	<u>58,293,273</u>	<u>59,504,587</u>	<u>0.6%</u>

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SUMMARY OF REVENUES BY FUND

	Actual 2014	Amended Budget 2015	Projected 2015	Budget 2016	% Change from 2015 Budget
ENTERPRISE FUNDS					
Hotel/Convention Center Fund	12,269,939	14,792,123	14,240,287	13,758,813	-7.0%
Renaissance Hotel/CC Operating Fund	<u>41,895,145</u>	<u>44,348,538</u>	<u>44,052,986</u>	<u>45,745,774</u>	<u>3.2%</u>
	<u>54,165,084</u>	<u>59,140,661</u>	<u>58,293,273</u>	<u>59,504,587</u>	<u>0.6%</u>
TOTAL ALL FUNDS	<u><u>54,165,084</u></u>	<u><u>59,140,661</u></u>	<u><u>58,293,273</u></u>	<u><u>59,504,587</u></u>	<u><u>0.6%</u></u>

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2016 ANNUAL BUDGET
FISCAL YEAR BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016**

SUMMARY OF EXPENSES BY FUND

	<u>Actual</u> <u>2014</u>	<u>Amended</u> <u>Budget</u> <u>2015</u>	<u>Projected</u> <u>2015</u>	<u>Budget</u> <u>2016</u>	<u>% Change</u> <u>from 2015</u> <u>Budget</u>
ENTERPRISE FUNDS					
Hotel/Convention Center Fund	16,094,561	16,083,968	15,220,585	15,077,480	-6.3%
Renaissance Hotel/CC Operating Fund	<u>39,929,187</u>	<u>45,407,417</u>	<u>43,054,729</u>	<u>51,220,615</u>	<u>12.8%</u>
	<u>56,023,748</u>	<u>61,491,385</u>	<u>58,275,314</u>	<u>66,298,095</u>	<u>7.8%</u>
TOTAL ALL FUNDS	<u><u>56,023,748</u></u>	<u><u>61,491,385</u></u>	<u><u>58,275,314</u></u>	<u><u>66,298,095</u></u>	<u><u>7.8%</u></u>

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SCHEDULE OF PROJECTED CASH FLOWS

	<u>Projected 2015</u>	<u>Projected 2016</u>
HOTEL AND CONVENTION CENTER FUND		
Excess (deficiency) of revenues over expenses	(980,298)	(1,318,667)
Add Non-cash expense: depreciation & amortization	5,639,593	5,617,218
Less Non-cash revenue: bond premium amortization	0	0
Bond principal payment	(1,630,000)	(1,565,000)
Increase (decrease) in payables	0	0
Net Proceeds from Bond Refunding	0	0
(Increase) decrease in receivables	<u>0</u>	<u>0</u>
Net change in cash flow	3,029,295	2,733,551
Cash & investment balance - beginning of year	<u>16,255,423</u>	<u>19,284,718</u>
Cash & investment balance - end of year	<u><u>19,284,718</u></u>	<u><u>22,018,269</u></u>
RENAISSANCE HOTEL & CONVENTION CENTER FUND		
Excess (deficiency) of revenues over expenses	998,257	(5,474,841)
Net change in receivables and payables	(58,831)	1,673,181
Amortization of deferred revenue	<u>(200,005)</u>	<u>(200,005)</u>
Net change in cash flow	739,421	(4,001,665)
Cash & investment balance - beginning of year	<u>8,162,479</u>	<u>8,901,900</u>
Cash & investment balance - end of year	<u><u>8,901,900</u></u>	<u><u>4,900,235</u></u>
<u>Renaissance Hotel & Convention Center Cash Composition</u>		
Operating Cash	3,500,000	3,451,535
Operating Reserve Cash	3,000,000	3,000,000
Furniture, Fixture & Equipment Reserve Cash	1,700,000	(2,197,300)
Capital Account Cash	<u>701,900</u>	<u>646,000</u>
Total	<u><u>8,901,900</u></u>	<u><u>4,900,235</u></u>