

WISCONSIN CENTER DISTRICT

U.S. Cellular Arena | Delta Center | Milwaukee Theatre



2012

A LETTER FROM OUR CHAIRMAN & PRESIDENT

Dear Reader,

2012 proved to be one of the Wisconsin Center District's (WCD) best yet. We hosted nearly 400 events in 2012 – ranging from Broadway shows to sporting events, and conventions to concerts – so we always had a little something for everyone to enjoy.

We strive to make Milwaukee a premiere destination for events of all sizes. WCD operated under a balanced budget in 2012 and upheld a high maintenance standard. Nevertheless, WCD aims to do more than just pay the bills – we want to facilitate events within our budget while remaining competitive with other cities. In fact, the WCD works in conjunction with VISIT Milwaukee to bring in national and regional conventions as well as in-house staff to keep short-term and local events coming back year after year to use our facilities, including the Wisconsin Athletic Walk of Fame, sponsored by MillerCoors. Thousands of sports fans visit the Walk of Fame for a look into our state's sports history.

Currently, our three facilities work together to meet the needs of our clients and visitors of the WCD campus. In order to remain competitive, we need to continue to support the construction of more hotel rooms near the Convention Center so we can move forward with Phase III expansion, which would add over 100,000 square feet to the existing building. An expansion would draw more and larger conventions and bring more people to Milwaukee and into our restaurants, hotels and shops. We are optimistic that an expansion will take place in the near future.

Successes in 2012 included our popular Broadway presentations, which brought award-winning shows to Milwaukee at affordable prices. Highlights of the 2011-2012 season were *Titanic: The Musical* and *Shrek the Musical* as well as *A Chorus Line* and Green Day's *American Idiot* in the 2012-2013 season. In addition, singer-songwriter Barry Manilow and comedians Daniel Tosh and Mike Epps enjoyed sold-out success at the Milwaukee Theatre.

Our resident sports teams – the Milwaukee Wave indoor soccer team, the UWM Panthers Men's Basketball team and the Brewcity Bruisers roller derby league – brought non-stop action to the U.S. Cellular Arena in 2012. Although the Panthers went back to the UWM campus for the 2012-2013 season, we invite them to return for their 2013-2014 season. The Delta Center also hosted a wide range of athletic and dance competitions including the Midwest Twisters Gymnastics and Dance Competition and the USA Fencing 2012 North American Cup.

As of July 1, 2013, the Delta Center will be known as the "Wisconsin Center." We would be honored to work with any naming rights sponsor that will support Milwaukee and the mission of WCD. Our Convention Center continues to attract local, national and international conventions and meetings. In 2012, we were privileged to host repeat business such as the Northwestern Mutual Annual Meeting and public favorites such as the Greater Milwaukee Auto Show and the Bead & Button Show. We also held the very Wisconsin-appropriate 2012 International Cheese Expo. Our most successful family events included Brewers On Deck and LEGO® KidsFest, which made its colorful first appearance in Milwaukee.

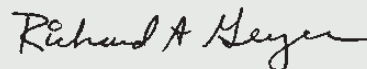
Overall, 2012 was a success in terms of WCD's mission, as we supported the restaurants, hotels and shops in Milwaukee. In fact, a landmark economic impact analysis released in January 2013 found that WCD facilities generate nearly \$500 million in economic impact in Milwaukee. For the future, our hope is that we continue to grow and increase our economic and cultural impact in our community.

We value how hard the WCD team works everyday to make what we do happen. The success of WCD and its events is a 24/7 job. Our clients and visitors appreciate the steadfast dedication and insight of our staff, catering and A/V partners, board of directors and sponsors. We couldn't do it without you. Thank you.

Finally, we are grateful for the unwavering support of the people of Milwaukee and its surrounding areas. Those who live in and visit Milwaukee love our facilities and the events that we host. We love this city. Our commitment to supporting and showing it off is stronger than ever.



Franklyn M. Gimbel
Chairman, Wisconsin Center District



Richard A. Geyer
President & CEO, Wisconsin Center District

OUR MISSION

To maintain and continuously build our professional reputation in the convention, entertainment and sporting events industries on all levels, both locally and nationally; to present first class facilities in the 21st century; to provide the most effective use of space for our clients by utilizing the collective talents of all Wisconsin Center District employees; and to create and sustain jobs, income, and prosperity in the Greater Milwaukee community.

ECONOMIC IMPACT

By providing a variety of community services including conventions, sporting events, entertainment and meeting places, the Wisconsin Center District (WCD) is integral to the civic, economic and cultural health of Milwaukee. In order to measure the economic impact of the Milwaukee Theatre, Delta Center and U.S. Cellular Arena, the WCD commissioned an economic impact analysis. The main findings and figures of the economic impact analysis are included throughout this report in bright blue boxes.

The analysis found that WCD facilities generate nearly **\$500 million in economic impact** in Milwaukee. It was also noted that spending associated with the WCD facilities **supports more than 4,000 full-time jobs in the city, and that 1,434 annual full-time jobs are supported by new spending here.** Because WCD is critical to the cultural and economic vitality of Milwaukee, expansion of the convention center is the natural next step in ensuring the continued growth and benefits to Milwaukee. The estimated value of WCD facilities rose to \$302.8 million in 2012.

TAKE A LOOK

BOARD OF DIRECTORS

Franklyn M. Gimbel,
Gimbel, Reilly, Guerin & Brown, *Chairperson*

James C. Kaminski,
Kaminski Consultants, *Vice Chairperson*

Alderman Willie L. Hines, Jr.,
Milwaukee Common Council President, *Secretary*

Joel Brennan,
Discovery World

Senator Alberta Darling,
Wisconsin State Senate

Mayor Kathy Ehley,
City of Wauwatosa

Alderman Ashanti Hamilton,
City of Milwaukee

Representative Dale Kooyenga,
Wisconsin State Assembly

Thomas Linscott,
Gilles of Milwaukee

Stephen H. Marcus,
The Marcus Corporation

Martin Matson,
City of Milwaukee Comptroller

Andy Nunemaker,
EMSystems

Alderman Robert Puente,
City of Milwaukee

Chris Schoenherr,
Wisconsin Deputy Secretary of Administration

Jeff Sherman,
OnMilwaukee.com

Richard A. Geyer,
Wisconsin Center District President & CEO

Spending associated with
WCD FACILITIES
supports more than
4,000
FULL-TIME JOBS
in Milwaukee.

U.S. CELLULAR ARENA



The Estimated Gross
Economic Impact of
WCD FACILITIES IS
\$497.8
MILLION.

**APRIL 9-15
1950**

Milwaukee Arena Grand Opening celebration is held amid weeklong, citywide "Progress Week." The new "Milwaukee Arena" is one of the first in the nation designed to accommodate the needs of a new entertainment medium – television – and arrived just in time to be associated with the rise of rock & roll.

**October 16
1968**

NBA basketball returns to Milwaukee when new Milwaukee Bucks team starts its season. Arena is home court until 1988.

CHEERS, LAUGHS AND ADRENALINE-PUMPING ACTION make for great fun and new experiences!



The U.S. Cellular Arena continues to be one of Milwaukee's great homes for sports, entertainment and assemblies. From nail-biting sporting events to dignified graduation ceremonies, the U.S. Cellular Arena is an affordable venue for Milwaukeeans to come together and celebrate with family and friends.

SPORTS TEAMS

The U.S Cellular Arena is proud to be the home of three great sports teams. The **UWM Panthers men's basketball team** finished their stellar season with a winning-record of 20-13. **The Milwaukee Wave** provided another season of fast-paced indoor soccer and **clinched their sixth MISL Championship** by beating the Baltimore Blast 12-10 in overtime. **The Brewcity Bruisers roller derby league** was back at the U.S. Cellular Arena in 2012 and **provided non-stop action** in all five of their bouts. The Bruisers even hosted the third annual Midwest Brewhaha, a tournament featuring over 25 teams from across the U.S. and Canada.

FAMILY ENTERTAINMENT AND MORE

Annual family friendly events keep the U.S. Cellular Arena bustling with activity. The **FIRST Regional Wisconsin Robotics Competition** provided educational fun for local high school students. The **Tripoli Shrine Circus** returned with world-class circus performers and Mighty Bo, the largest performing elephant on the planet. **New Edition** rocked the arena and family favorite **Disney on Ice Presents** skated into the arena once again, featuring Rapunzel from the hit movie *Tangled*, as well as other Disney princesses and heroines.

GRADUATION CEREMONIES

The WCD is proud to be a part of the success of thousands of students in the Milwaukee area. In 2012, the WCD hosted commencement ceremonies for the following local academic institutions:

- Bryant & Stratton College
- Cardinal Stritch University
- Divine Savior Holy Angels High School
- Hamilton High School
- Lynde and Harry Bradley Technology & Trade High School
- Marquette University
- Marquette University College of Engineering
- Marquette University School of Business Administration
- Marquette University School of Law
- Medical College of Wisconsin
- Milwaukee Area Technical College
- Milwaukee High School of the Arts
- Riverside University High School
- Rufus King High School for the College Bound
- University of Phoenix
- University of Wisconsin-Milwaukee

March 7
2000

Wisconsin Center District and U.S. Cellular officials announce \$2 million "naming rights" agreement for the Arena – facility will be called U.S. Cellular Arena. Agreement is renewed in 2007.

MILWAUKEE THEATRE

Supplying Milwaukee With a Steady Dose of
MUSIC, LAUGHS, DRAMA, DANCE & COMEDY.

2012 HIGHLIGHTS

The Milwaukee Theatre had quite the year. President Obama even stopped by for a campaign event. From hosting musical greats to family-friendly shows, we had a little something for everyone.

BROADWAY SHOWS

In 2012, the Milwaukee Theatre brought a series of top-notch shows directly from Broadway at competitive prices.

Rain: A Tribute to the Beatles, Titanic: The Musical, The All-New Original Tribute to the Blues Brothers, Shrek the Musical and In the Heights

PERFORMANCES & COMEDY

We welcomed award-winning musicians and comedians to our timeless stage.

Barry Manilow, A Prairie Home Companion with Garrison Keillor, R. Kelly, Miguel, Martina McBride, Trey Songz, Mindless Behavior, Mannheim Steamroller, The 6th Annual Milwaukee Blues Festival and Natalie Merchant with the Milwaukee Symphony Orchestra

Daniel Tosh, Kevin Hart, Mike Epps and the Royal Comedy Tour

FAMILY ENTERTAINMENT

Home to crowd-pleasing music and dance events.

Disney Live! Mickey's Music Festival
2012 So You Think You Can Dance Live Tour
44th Annual Milwaukee Public Schools Biennial Music Festival
13th Annual Latvian Song and Dance Festival

September 21
1909

Milwaukee Auditorium, completed at a cost of under \$500,000, is dedicated.

November 5
1978

Auditorium Restoration and Improvement Project is completed and the renovated Milwaukee Auditorium is officially opened.

November 7-9
2003

The Grand Opening of the Milwaukee Theatre after \$40 million renovation project. Name changes from Milwaukee Auditorium to Milwaukee Theatre.

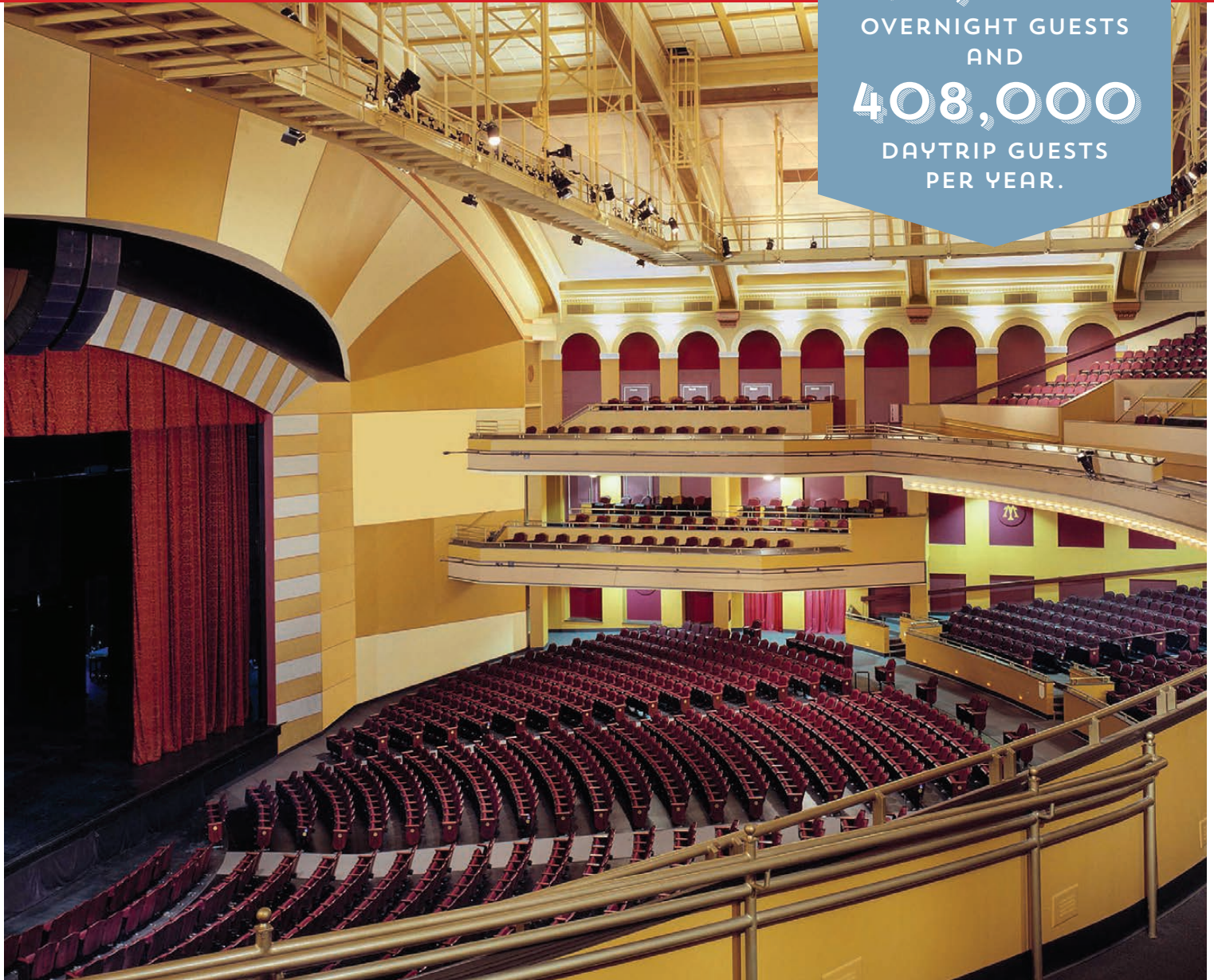
WCD FACILITIES GENERATE NEW
SPENDING FROM AN AVERAGE OF

98,000

OVERNIGHT GUESTS
AND

408,000

DAYTRIP GUESTS
PER YEAR.



DELTA CENTER



Despite multiple name changes over the past couple of years, the Delta Center (as of July 1, 2013 will be known as the "Wisconsin Center") continues to attract people, organizations and companies from around the U.S as well as right here in Milwaukee. Known for its exhilarating architecture and technology, the Delta Center is one of the premiere convention centers in its tier. Because of this, the Delta Center saw an increase in bookings for conventions, trade shows and conferences and hosted a number of successful smaller events.

WCD generates
\$355
MILLION
total in annual spending.

Making Milwaukee a PREMIERE CONVENTION DESTINATION

EVENTS

PUBLIC EVENTS

Annual public events help keep the Delta Center busy. We were proud to once again host **Milwaukee Winter Fest**, which returned for its second year with a wide variety of family-friendly attractions and activities, ranging from an indoor zip-line to a roller rink complete with disco ball. Winter Fest continues to provide a one-of-a-kind break from the snow and cold for kids and adults alike. Other returning favorites included

Home Building & Remodeling Expo
Greater Milwaukee Auto Show
Bead & Button Show
Milwaukee Journal Sentinel's Wine & Dine Wisconsin Brewers On Deck

SPORTING EVENTS

The Delta Center is a surprisingly popular venue for a variety of dance and sporting events. These events draw families from across the country and provide another venue for athletes to show off their skills. Athletic and dance events held at the Delta Center in 2012 were

2012 YMCA Gymnastics National Championship
USA Fencing 2012 North American Cup
Midwest Twisters Gymnastics and Dance Competition
Milwaukee Spring Feis (Irish Dance Competition)
Badger Region Volleyball Association Tournament

ANNUAL CONVENTIONS & MEETINGS

We continued to host a wide variety of annual meetings and conventions for both local and national companies and organizations in 2012

U.S. Cellular
Snap-On
Kohl's Corporate
Mary Kay
MillerCoors
Pampered Chef
Northwestern Mutual
lia sophia
Johnson Controls

National Electrical Wire Processing Technology Expo
State Reading Association Annual Meeting
Wisconsin Association of School Boards Annual Convention
Wisconsin Restaurant Association Expo
Emergency Services Midwest Conference

We also had the privilege to host successful newer events such as **Anime Milwaukee**, the **2012 International Cheese Technology Expo** and the **2012 National College Fair**. The most popular family-friendly event of 2012 was **LEGO® KidsFest**, which came to Milwaukee for the first time with extremely colorful and fun activities for kids of all ages.

September 6
1881

Industrial Exposition Building officially opens. The building hosts trade gatherings, public expositions and civic and cultural events.

May 24-26
1974

New \$15 million convention center opens. Milwaukee Arena and Auditorium merge with new center to create convention and entertainment complex called MECCA – the Milwaukee Exposition & Convention Center & Arena.

July 24-26
1998

Grand Opening of the new Midwest Express Center. New convention center is expanded south to Wisconsin Avenue.

LOOKING TO THE YEAR AHEAD:

2013

2013 PROMISES TO BE EVEN BETTER THAN 2012 AS BOOKINGS IN WCD FACILITIES CONTINUE TO GROW.

The WCD campus will be bustling with activity as we host a wide range of music, dance, comedy and family events and a variety of conventions and conferences. Our commitment to providing affordable events for people of all ages and supporting the economic and cultural health of Milwaukee is stronger than ever.

THE NEXT STEP

An expansion of the convention center would ensure the continued cultural and economic growth of Milwaukee. Expansion is essential for the success of both the WCD and Milwaukee because

Additional exhibit and meeting space would attract more and larger conventions.

Concurrent events could be held within the same convention center.

More people would be drawn to Downtown Milwaukee and into our hotels and restaurants.

Ultimately, expansion of the convention center is critical to Milwaukee maintaining its position as one of the premiere convention destinations in an increasingly competitive convention market.

WCD FACILITIES
bring in
126
MILLION
in new annual spending.

New spending in
the city supports
1,434
ANNUAL
FULL-TIME JOBS.

WCD FACILITIES
fueled the opening of
1,500
HOTEL ROOMS
downtown since 1996.

THE YEAR AHEAD

U.S. CELLULAR ARENA

Milwaukee Wave 2012-2013 Indoor Soccer Season
Brewcity Bruisers Roller Derby League 2013 Season
Midwest Brewhaha Flat Track Roller Derby Tournament
Disney on Ice: 100 Years of Magic
Winter Jam 2013
Women's Flat-Track Derby Association 2013 Championship Tournament

MILWAUKEE THEATRE

A Chorus Line
Green Day's *American Idiot*
Leonard Cohen, his first show in Milwaukee in 38 years
Mormon Tabernacle Choir
Shen Yun Performing Arts
Lord of the Dance by Michael Flatley
Celtic Woman
Scooby Doo Live: Musical Mysteries
Mike Epps with Dominique
Elvis Lives
Distant Worlds: music from Final Fantasy

DELTA CENTER

Moose International Convention
Bead & Button Show
Greater Milwaukee Auto Show
Northwestern Mutual Annual Meeting
Wine & Dine Wisconsin
Brewers On Deck
Wisconsin Restaurant Expo
Anime Milwaukee 2013
United States Institute for Theatre Technology Conference & Expo
National Governors Association
American Philatelic Society StampShow 2013
SciX: The Great Scientific Exchange 2013

**STATEMENT OF
NET ASSETS
DECEMBER 31, 2012 & 2011**

ASSETS	2012	2011
Current Assets:		
Cash and cash equivalents	\$ 1,509,736	\$ 2,299,095
Accounts receivable, less allowance for doubtful accounts of \$67,011 in 2012 and \$55,342 in 2011	584,005	1,153,923
Tax revenues receivable	6,018,253	3,772,160
Loans receivable, current portion	42,920	50,872
Prepaid expenses and other current assets	53,233	63,380
Total current assets	8,208,147	7,339,430
Noncurrent Assets:		
Restricted cash and cash equivalents	29,383,498	27,730,433
Restricted interest receivable	380,172	380,169
Loans receivable, less current portion	424,240	471,157
Financing costs, net of accumulated amortization of \$2,139,215 in 2012 and \$1,836,870 in 2011	1,619,210	1,728,040
Capital assets		
Non-depreciable	22,958,953	22,958,953
Depreciable	135,304,064	140,567,775
Total noncurrent assets	190,070,137	193,836,527
Total assets	198,278,284	201,175,957
LIABILITIES		
Current Liabilities:		
Obligation under capital lease, current portion	204,255	79,497
Current installments of bonds payable	9,090,000	8,010,000
Accounts payable	1,149,736	673,581
Accrued expenses	848,831	1,170,330
Accrued interest expense	-	55,227
Concession improvement deposits	715,000	845,000
Deferred revenue	1,743,875	1,553,079
Total current liabilities	13,751,697	12,386,714
Long-term Liabilities:		
Obligation under capital lease, less current portion	627,703	957,890
Bonds payable, net, less current portion	230,036,939	233,580,683
Total long-term liabilities	230,664,642	234,538,573
Total liabilities	244,416,339	246,925,287
NET ASSETS		
Invested in capital assets, net of related debt	(1,724,708)	(678,855)
Restricted for debt service	8,333,716	6,640,603
Unrestricted (deficit)	(52,747,063)	(51,711,073)
Deficiency in net assets	\$ (46,138,055)	\$ (45,749,325)

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2012 & 2011

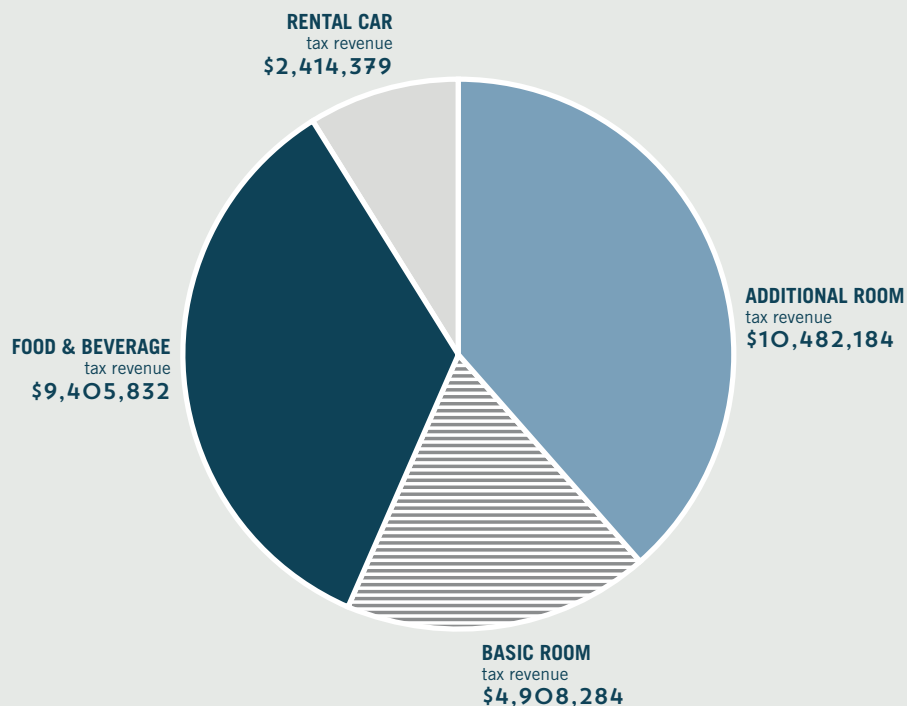
	2012	2011
Operating Revenue:		
Space rentals	\$ 3,282,516	\$ 3,201,475
Equipment rentals	1,028,320	961,708
Commission on concession sales	2,799,880	3,149,020
Labor service revenue	1,022,118	1,305,356
Advertising revenue	1,412,616	1,276,463
Information technology revenue	722,230	788,133
Box office revenue	518,504	554,715
Parking revenue	584,132	581,258
Other	736,863	641,873
Total operating revenue	12,107,179	12,460,001
Operating Expenses:		
Allocated Expenses:		
Wages	3,286,553	3,396,153
Utilities	1,885,511	1,941,189
Building maintenance and repairs	1,259,648	1,226,832
Ticket expenses	86,752	82,468
Other	1,722,075	1,586,102
Total allocated operating expenses	8,240,539	8,232,744
Unallocated Expenses:		
Administrative salaries and wages	2,147,840	1,883,343
Employee benefits	2,249,533	2,097,976
Advertising and promotion	5,977,627	5,522,420
Legal services	23,959	43,034
Insurance	525,645	460,846
Professional services	107,068	31,400
Depreciation	7,689,554	7,470,291
Other	446,882	417,172
Total unallocated operating expenses	19,168,108	17,926,482
Total operating expenses	27,408,647	26,159,226
Operating loss	\$ (15,301,468)	\$ (13,699,225)

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS

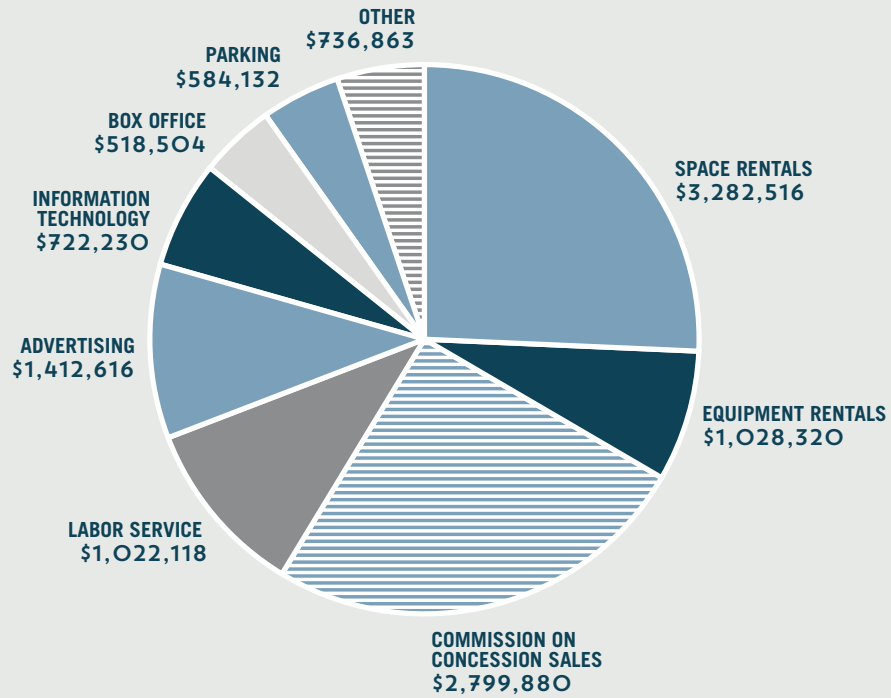
YEARS ENDED DECEMBER 31, 2012 & 2011

	2012	2011
Nonoperating income (Expense):		
Tax Revenue:		
Additional room tax revenue	\$ 10,482,184	\$ 9,938,361
Basic room tax revenue	4,908,284	4,698,986
Food and beverage tax revenue	9,405,832	8,901,044
Rental car tax revenue	2,414,379	2,539,854
	27,210,679	26,078,245
State of Wisconsin administrative fee	(693,872)	(664,995)
Net tax revenue	26,516,807	25,413,250
Other income	971,498	970,091
Bond amortization and interest expense	(12,575,567)	(12,632,604)
Federal grant revenue - transit study	(121,662)	(3,397,869)
Expenditures - transit study	121,662	3,397,869
Total nonoperating income (expense)	14,912,738	13,750,737
Change in net assets	(388,730)	51,512
Deficiency In net assets, beginning of year	(45,749,325)	(45,800,837)
Deficiency in net assets, end of year	\$ (46,138,055)	\$ (45,749,325)

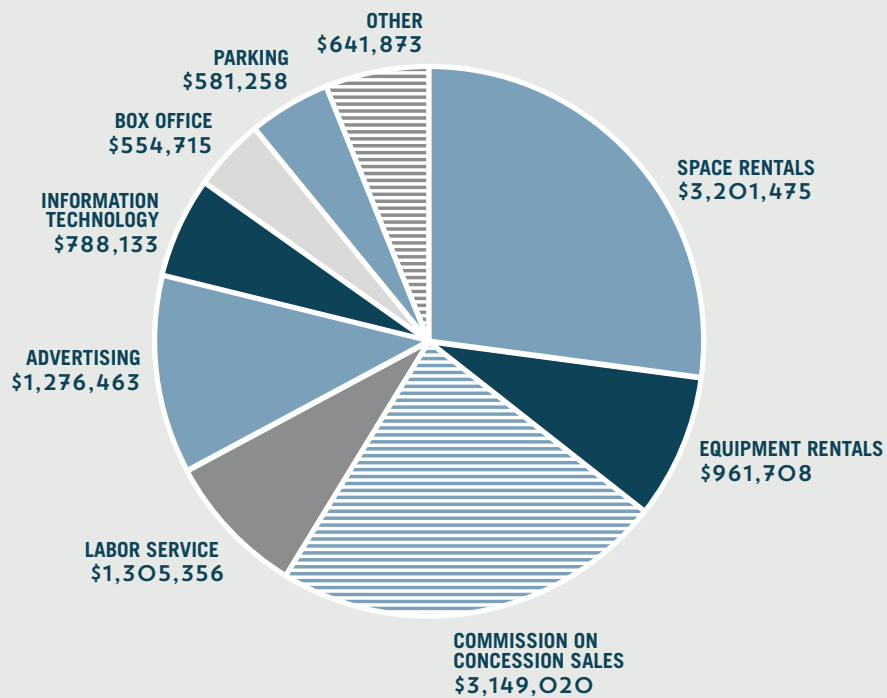
2012 TAX REVENUES



2012 OPERATING REVENUES



2011 OPERATING REVENUES



PARTNERS & SPONSORS

Dr. Pepper/Snapple Bottling Group
Delta Airlines
Levy Restaurants
Midwest Orthopedic Specialty Hospital
MillerCoors LLC
Milwaukee Journal Sentinel
Palermo Villa Inc.
Ticketmaster
Time Warner Cable Wisconsin
Time Warner Telecom
U.S. Cellular Corporation
United Visual, Inc.
Vienna Beef
Waste Management, Inc.

