



2013

WISCONSIN CENTER DISTRICT | ANNUAL REPORT



WISCONSIN CENTER | U.S. CELLULAR ARENA | MILWAUKEE THEATRE

A LETTER *from* OUR CHAIRMAN & PRESIDENT

We are pleased to share the highlights of 2013, another successful year for the Wisconsin Center District (WCD). Between our three amazing venues – the Wisconsin Center, U.S. Cellular Arena and Milwaukee Theatre – we delighted audiences with numerous events, from Broadway shows to bone-crushing roller derby bouts to national business conventions. We're proud to operate Milwaukee's premiere entertainment complex and thankful for the opportunity to make fans of such a diverse audience, comprised of both local residents and out-of-town visitors.

In 2013, WCD operated under a balanced budget and proved to be a boon to the city and county, helping to generate visitor spending on Milwaukee-area hotel rooms, meals and entertainment. We also helped stimulate community pride and economic development in downtown Milwaukee and neighboring communities.

Even more impressive, WCD operations are fully funded by our own operating revenues. Special sale taxes on hotel rooms, car rentals and prepared food and drinks sold in restaurants and taverns repay our bond issues, help fund Visit Milwaukee, and pay for capital improvements. We receive no property tax money or federal, state or local subsidies. Of course, our goal is to do more than simply breakeven. So we were pleased at the findings of a recent economic impact study, which showed that WCD generated nearly half a billion dollars for the local economy. We're eager to move forward with the Phase III expansion, which will add 100,000 square feet to the existing convention center. It will no doubt prompt more people to consider Milwaukee as their next convention destination.

Looking back on 2013, we have many successes to celebrate; a sold-out performance from the legendary Leonard Cohen at the Milwaukee Theatre; a chance to show off our facilities to industry peers at the U.S. Institute for Theatre Technology Annual Conference & Stage Expo and the return of UWM Men's Basketball to the U.S. Cellular Arena. The team is coming off an impressive year after earning an NCAA tournament berth and capturing the Horizon League title, so we wish them all the best on a promising season ahead!

After nearly 18 years with Wisconsin Center District, President and CEO Richard Geyer retired in April 2014. Under his leadership, the WCD has flourished and he

leaves a legacy of happy employees who feel more like family. We recognize that the success of the WCD is due to the collective hard work of each and every member of the WCD team and are proud to employ nearly 300 people in both full- and part-time positions. Richard would like to extend his gratitude to the 40+ board members with whom he's had the pleasure of working during his WCD career. He continues to work with us in a consultant role following his retirement.

The Wisconsin Center District's relationship with U.S. Cellular is coming to an end following the 2013 season. We'd like to thank them for their many years of support and their continued dedication to the city of Milwaukee.

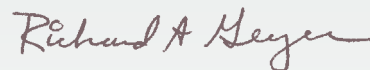
A special thanks also goes out to Visit Milwaukee, who works tirelessly to secure major convention and trade show bookings that supplement our own sports, entertainment and business events. We'd also like to acknowledge Levy Restaurants, our exclusive food and beverage partner, and Universal Audio Video Productions for providing a world-class experience for each of our guests.

In closing, we'd like to thank the people who live, work and visit our fair city. More important than being a profit center for the city of Milwaukee, we're committed to serving the metro-Milwaukee community. Thank you for your support as we continue our mission to create and sustain prosperity in the Greater Milwaukee area.



Franklyn M. Gimbel

Chairperson, Wisconsin Center District



Richard A. Geyer

President/CEO, Wisconsin Center District

Our MISSION

At the Wisconsin Center District, our mission is to maintain, and continuously build, our professional reputation in the convention, entertainment and sporting events industry on all levels, both locally and nationally; to present first-class facilities in the twenty-first 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.

BOARD of DIRECTORS

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

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

Alderman Michael Murphy,
Milwaukee Common Council, *President, Secretary*

Joseph Bartolotta,
The Bartolotta Restaurants

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

Stephen H. Marcus,
The Marcus Corporation

Martin Matson,
City of Milwaukee Comptroller

Andy Nunemaker,
EmSystems

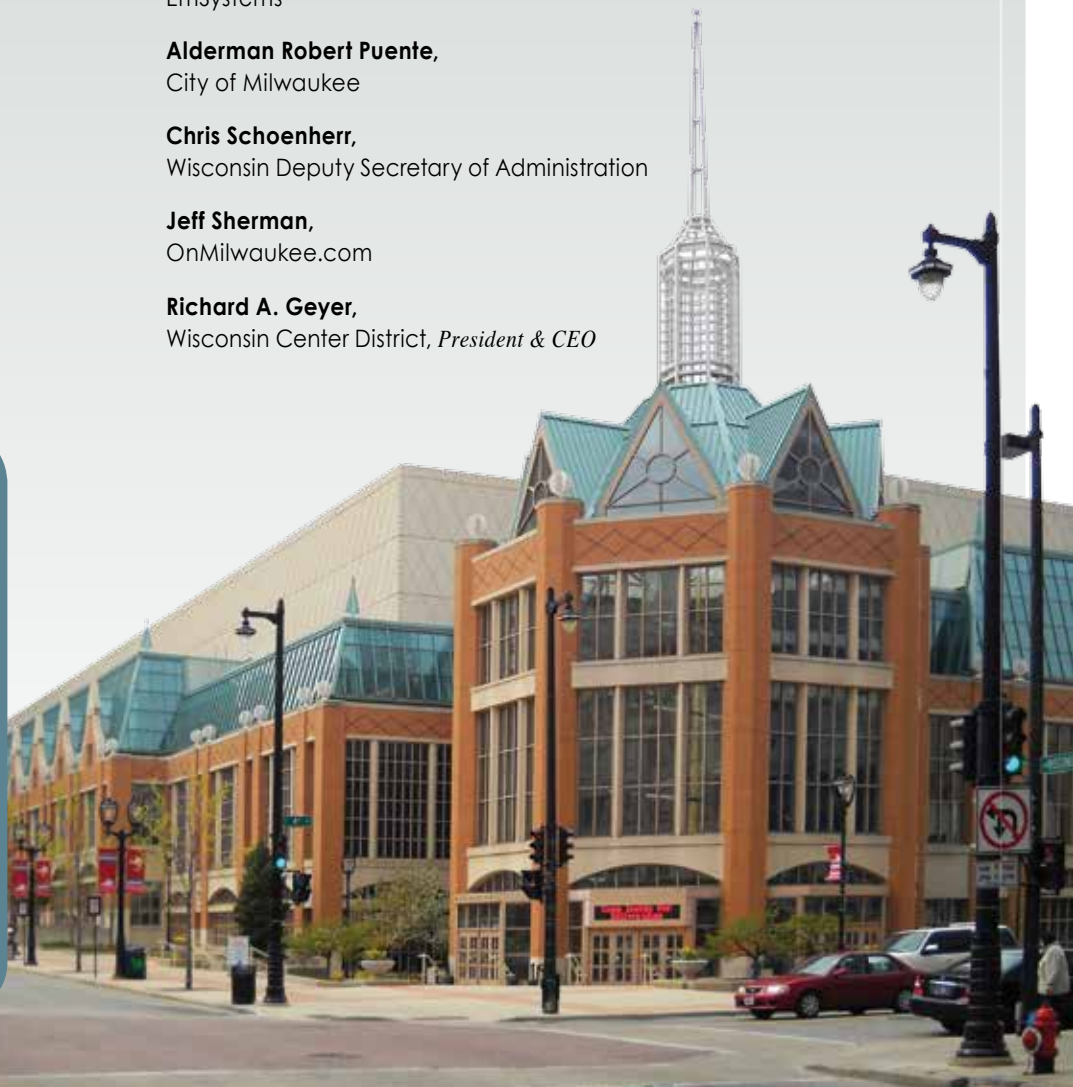
Alderman Robert Puente,
City of Milwaukee

Chris Schoenherr,
Wisconsin Deputy Secretary of Administration

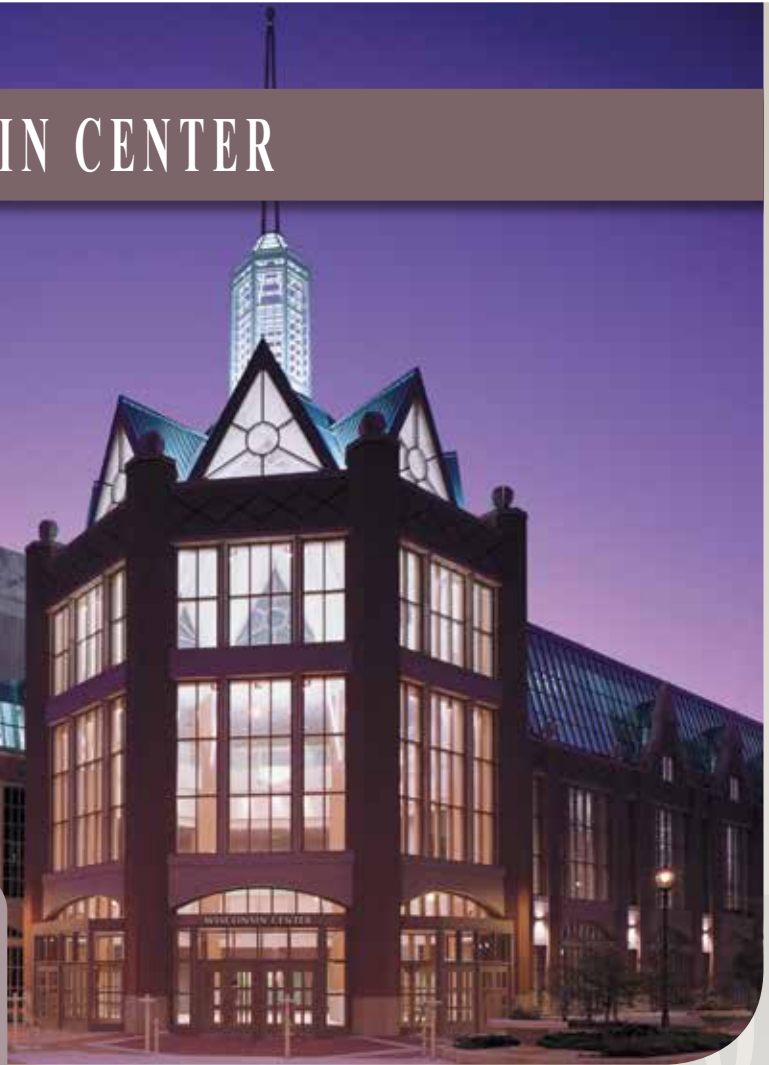
Jeff Sherman,
OnMilwaukee.com

Richard A. Geyer,
Wisconsin Center District, *President & CEO*

In addition to providing amazing entertainment choices to the residents of the Metro Milwaukee area, we're committed to stimulating the local economy by providing an exceptional experience for both leisure and business travelers. Our goal is to turn visitors into long-time fans of the city and further our reputation as a fantastic place to conduct business.



WISCONSIN CENTER



“Our attendees enjoyed the entire convention and Milwaukee. Many commented on how clean the city was, how easy it was to get around and how much it has to offer visitors. Several staff wanted to know what they are going to do next year to top this year’s convention.”

-Event Planner, Community Bankers Association of Illinois

THE HEART of MILWAUKEE’S BUSINESS DISTRICT

The Wisconsin Center, designed for both sensory delight and astonishing efficiency, remains one of the world’s most technologically advanced and architecturally innovative convention facilities. Located in the heart of the city center, it attracts local admirers and global organizations alike. Bookings for both consumer shows and trade conventions grew in 2013, making it one of the Center’s most successful years ever.

2013 EVENTS

SPORTING EVENTS

The Wisconsin Center District is the proud home of local and regional sports competitions. In 2013, we were pleased to host:

- USA Fencing Association North American Cup
- Badger Regional Volleyball Association Tournament
- UCA Milwaukee Cheer & Dance Championships
- Midwest Twisters Gymnastics & Dance Competition

PUBLIC EVENTS

Fan favorites like Brewers on Deck and Wine and Dine Wisconsin are just two of the many popular public events held at the Wisconsin Center. Highlights from 2013 included:

- Brewers on Deck
- Wine and Dine Wisconsin
- Building Lifestyles: Home Building & Remodeling Show
- Bead & Button Show
- Greater Milwaukee Auto Show
- Milwaukee Lake Home & Cabin Show

ANNUAL CONVENTIONS & MEETINGS

We have built a strong relationship with many national and international corporations, serving industry sectors from manufacturing to retail and distribution. In 2013, we hosted conferences, trade shows and business training events, including:

- U.S. Institute for Theatre Technology Annual Conference & Stage Expo
- Lake Home & Cabin Show
- National Electrical Wire Processing Expo
- Moose International Convention – A huge success for WCD and our hospitality partners, this convention brought more than 8,000 attendees and generated more than 18,000 hotel bookings!
- Jayco Dealer Homecoming



Jayco Dealer Homecoming



U.S. Institute for Theatre Technology Annual Conference & Stage Expo



U.S. CELLULAR ARENA



CHEERS, LAUGHS, POMP *and* CIRCUMSTANCE

From adrenaline-fueled sports to commencement ceremonies, the U.S. Cellular arena is home to heart-pumping events. Two big wins for us in 2013 were the recent repurposing of the famous and nostalgic Robert Indiana MECCA basketball floor (originally used in the arena from 1978-1994) as an art installation, and the 2013 Women's Flat Track Derby Championships, which brought roller derby fans from North America and Europe to the U.S. Cellular Arena.



Brewcity Bruisers Roller Derby

HOMETOWN SPORTS TEAMS

- Milwaukee Wave Indoor Men's Soccer Team
- UWM Panthers Men's Basketball Team
- Brewcity Bruisers Indoor Roller Derby Team



COMEDY & CONCERTS

- Comedian Katt Williams
- Hip-hop recording artist Kid Cudi



FAMILY ENTERTAINMENT

- Ringling Brothers/Barnum & Bailey & Disney: 100 Years of Disney
- Tripoli Shrine Circus



GRADUATION CEREMONIES

- Cardinal Stritch University
- Hamilton High School
- Lynde & Harry Bradley Technology & Trade High School
- Marquette University
- Milwaukee Area Technical College
- Riverside High School
- Rufus King High School
- University of Phoenix
- University of Wisconsin – Milwaukee



MILWAUKEE THEATRE

COMEDIC, DRAMATIC *and* MUSICAL ENTERTAINMENT

The city's most elegant "destination" theatre, the Milwaukee Theatre is home to Broadway musicals, family-friendly concerts and comedy shows. There is truly something for everyone!

BROADWAY SHOWS & PERFORMANCES

- A Chorus Line
- American Idiot
- Celtic Woman
- Chris Tomlin
- Disney Live: Three Classic Fairy Tales
- Distant Worlds: Music from Final Fantasy
- Elvis Lives
- Danceworks presents Façade
- Leonard Cohen
- Lord of the Dance created by Michael Flatley
- Menopause the Musical
- Milwaukee Symphony Orchestra with the Indigo Girls
- Mormon Tabernacle Choir
- MythBusters
- Rain: A Tribute to the Beatles
- Scooby Doo Live! Musical Mysteries
- The Rat Pack is Back

COMEDY

- Mike Epps, I'm Still Standing Tour
- Royal Comedy Tour

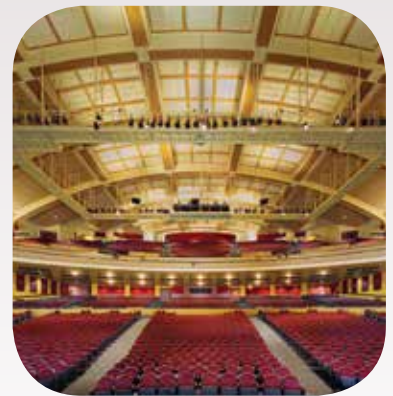
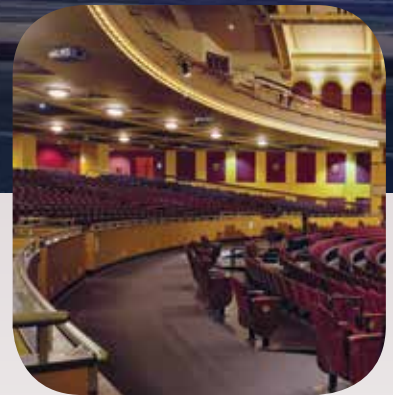


Leonard Cohen,
April 2013

2013 HIGHLIGHTS



Distant Worlds: Music from Final Fantasy video game series



GRADUATION CEREMONIES

- Bryant & Stratton College
- High School of the Arts
- Marquette University Law School
- Medical College of Wisconsin
- Nicolet High School



Two tiers of sloped seating accommodate up to 4,086 patrons



2014

LOOKING FORWARD:

Our world-class facilities and excellent reputation make The Wisconsin Center District a popular destination. Milwaukee is already buzzing with the entertainment, family shows and conventions that are on the books for 2014.



Thank you so much for all the fine work you did to make our event so successful! I am so impressed with your organization. This was the best 'State Night' EVER!"

- Event Planner, General Federation of Women's Clubs

To continue to attract associations, show managers, event planners and visiting event attendees, we urge Milwaukee and Wisconsin to support the proposed convention center expansion. The 100,000 square foot addition – consisting of exhibit hall space, meeting rooms and a ballroom – will provide even more amenities to our guests. It will bring the total size of the facility to an impressive 190,000 square feet.

We're also recruiting national and international corporate businesses with event offerings from product roll-outs and dealer showcases to stockholder meetings, technical conferences and sales seminars.

We can't wait for the continued growth that this expansion will bring!



COMING IN
2014

WISCONSIN CENTER

- **International Cheese Technology Exposition**
Returning to the Wisconsin Center in 2014!
- **National Pheasant Fest & Quail Classic**
This hugely popular event is paving the way for even more outdoor and conservation organizations to consider Milwaukee for their next event.

U.S. CELLULAR ARENA

- **AMSOIL Arenacross:**
Arenacross competition returns to Milwaukee for the first time since 2003.

MILWAUKEE THEATRE

- **Disney's *The Lion King***, presented by The Marcus Center and Broadway Across America.

The Lion King

...the highest-grossing entertainment presentation in Wisconsin history returns to the Milwaukee Theatre for the first time since 2008.

- **Carl Orff's *Carmina Burana***, presented by Bel Canto Chorus and Boy Choirs
- **Bring It On: The Musical**
- **Il Volo with the Wisconsin Philharmonic**
- **Nick Cave & The Bad Seeds**



*Levy Restaurants,
I cannot thank you
enough for all you did to
accommodate my food
allergies. I have never
had anyone be so
thorough. I hope you
realize what a lovely gift
it was to each of us."*

*-Attendee,
Bible Studies Fellowship*

STATEMENT OF

NET ASSETS

DECEMBER 31, 2013 & 2012

ASSETS	2013	2012
Current Assets:		
Cash and cash equivalents	\$ 2,890,018	\$ 1,509,736
Accounts receivable, less allowance for doubtful accounts of \$20,092 in 2013 and \$67,011 in 2012	122,939	584,005
Tax revenues receivable	4,256,439	6,018,253
Loans receivable, current portion	33,556	42,920
Prepaid expenses and other current assets	42,620	53,233
Total current assets	7,345,572	8,208,147
Non-current Assets:		
Restricted cash and cash equivalents	31,506,356	29,383,498
Restricted interest receivable	380,172	380,172
Loans receivable, less current portion	385,927	424,240
Financing costs, net of accumulated amortization of \$1,742,531 in 2013 and \$2,139,215 in 2012	1,795,951	1,619,210
Capital assets		
Non-depreciable	22,958,953	22,958,953
Depreciable	130,202,378	135,304,064
Total non-current assets	187,229,737	190,070,137
Total assets	194,575,309	198,278,284
LIABILITIES		
Current Liabilities:		
Obligation under capital lease, current portion	197,831	204,255
Current installments of bonds payable	10,430,000	9,090,000
Accounts payable	1,202,177	1,149,736
Accrued expenses	1,789,162	848,831
Accrued interest expense	—	—
Concession improvement deposits	585,000	715,000
Unearned revenue	754,432	1,743,875
Total current liabilities	14,958,602	13,751,697
Long-term Liabilities:		
Obligation under capital lease, less current portion	428,908	627,703
Bonds payable, net, less current portion	224,465,056	230,036,939
Total long-term liabilities	224,893,964	230,664,642
Total liabilities	239,852,566	244,416,339
NET POSITION		
Invested in capital assets, net of related debt	(9,500,553)	(1,724,708)
Restricted for debt service	10,259,828	8,333,716
Unrestricted (deficit)	(46,036,532)	(52,747,063)
Deficiency in net assets	\$ (45,277,257)	\$ (46,138,055)

STATEMENT OF

REVENUES, EXPENSES & CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2013 & 2012

	2013	2012
Operating Revenue:		
Space rentals	\$ 3,208,994	\$ 3,282,516
Equipment rentals	905,899	1,028,320
Commission on concession sales	2,574,302	2,799,880
Labor service revenue	1,192,599	1,022,118
Advertising revenue	1,290,382	1,412,616
Information technology revenue	777,988	722,230
Box office revenue	462,431	518,504
Parking revenue	577,603	584,132
Other	989,176	736,863
Total operating revenue	11,979,374	12,107,179
Operating Expenses:		
Allocated Expenses:		
Wages	3,266,503	3,286,553
Utilities	2,036,844	1,885,511
Building maintenance and repairs	1,166,603	1,259,648
Ticket expenses	87,527	86,752
Other	1,351,976	1,722,075
Total allocated operating expenses	7,909,453	8,240,539
Unallocated Expenses:		
Administrative salaries and wages	2,180,285	2,147,840
Employee benefits	1,852,619	2,249,533
Advertising and promotion	6,193,155	5,977,627
Legal services	47,176	23,959
Insurance	549,087	525,645
Professional services	64,695	107,068
Depreciation	7,790,624	7,689,554
Other	476,427	446,882
Total unallocated operating expenses	19,154,068	19,168,108
Total operating expenses	27,063,521	27,408,647
Operating loss	\$ (15,084,147)	\$ (15,301,468)

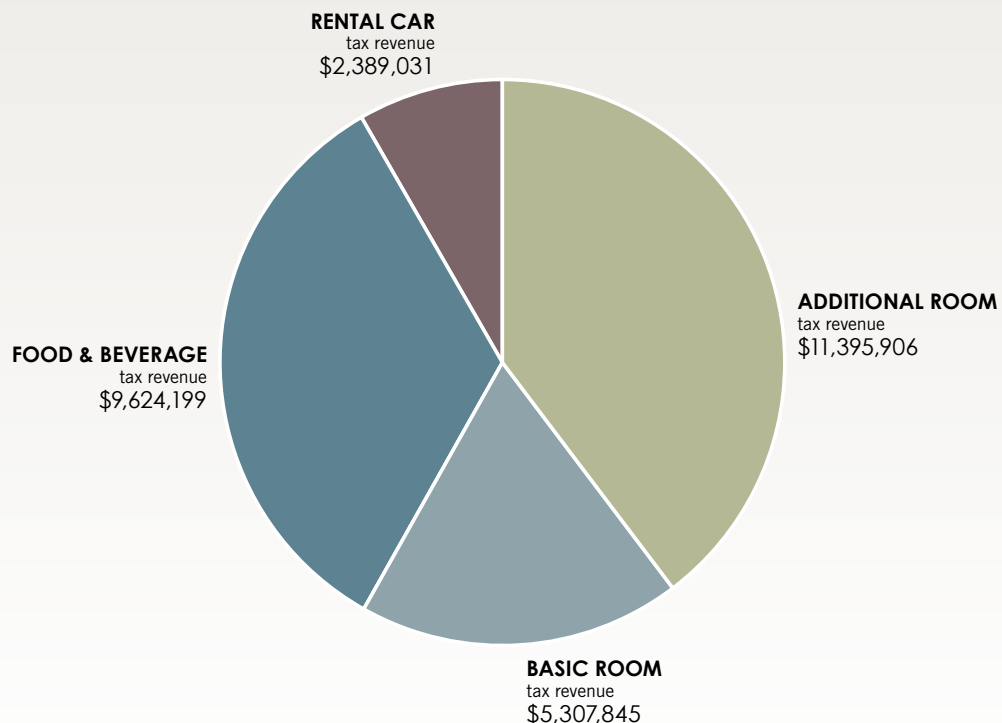
STATEMENT OF

REVENUES, EXPENSES & CHANGES IN NET ASSETS

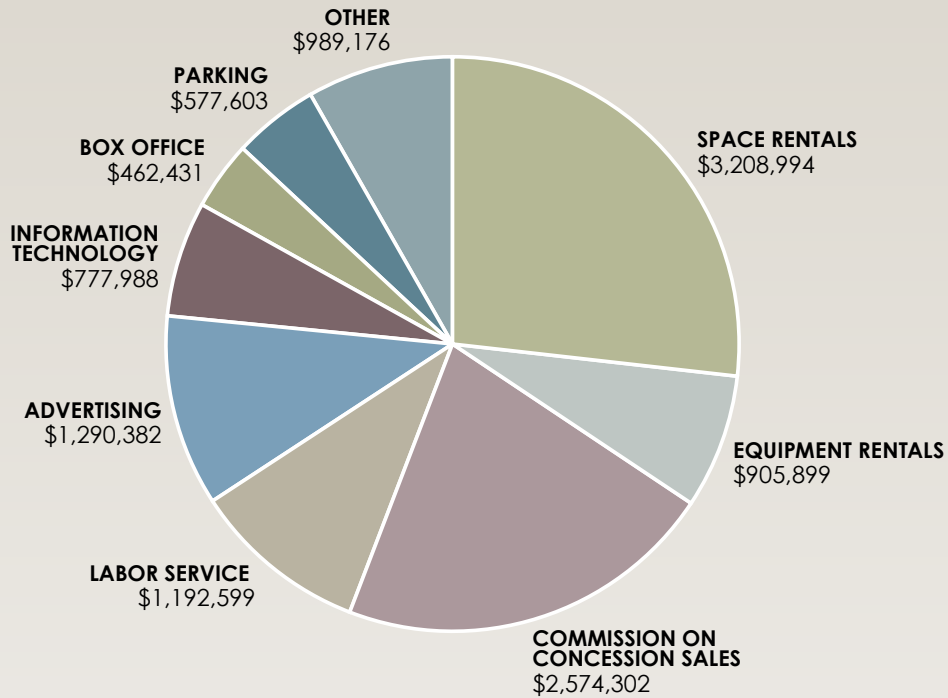
YEARS ENDED DECEMBER 31, 2013 & 2012

	2013	2012
Non-operating income (Expense):		
Tax Revenue:		
Additional room tax revenue	\$ 11,395,906	\$ 10,482,184
Basic room tax revenue	5,307,845	4,908,284
Food and beverage tax revenue	9,624,199	9,405,832
Rental car tax revenue	2,389,031	2,414,379
	28,716,981	27,210,679
State of Wisconsin administrative fee	(732,283)	(693,872)
Net tax revenue	27,984,698	26,516,807
Other income	971,828	971,498
Bond amortization and interest expense	(13,011,581)	(12,575,567)
Federal grant revenue - transit study	-	(121,662)
Expenditures - transit study	-	121,662
Total non-operating income (expense)	15,944,945	14,912,738
Change in net assets	860,798	(388,730)
Deficiency in net assets, beginning of year	(46,138,055)	(45,749,325)
Deficiency in net assets, end of year	\$ (45,277,257)	\$ (46,138,055)

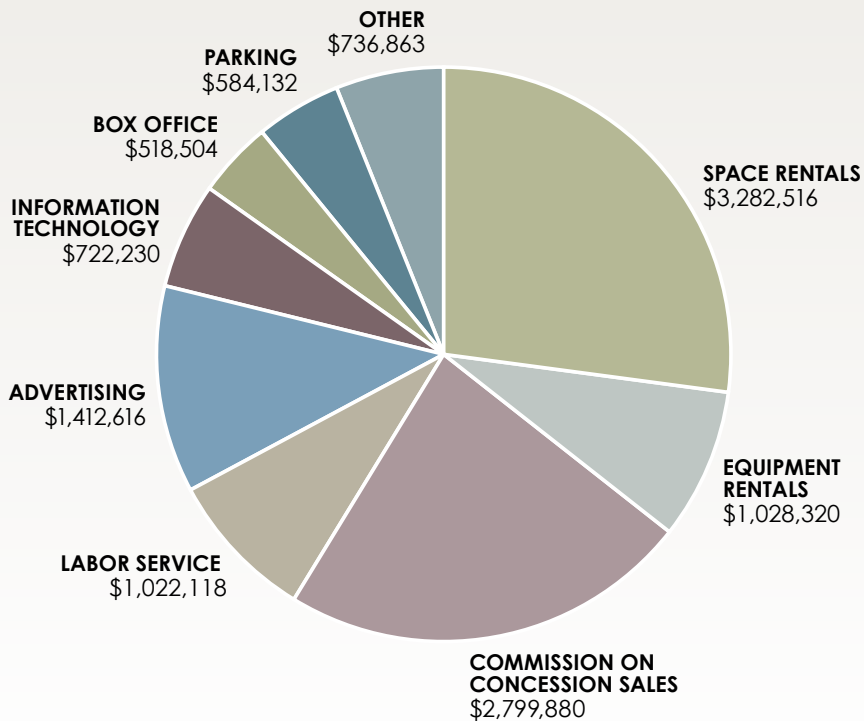
2013 TAX REVENUES



2013 OPERATING REVENUES



2012 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.

