



News

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Cobo Authority finances stronger through 9 months of fiscal 2013 Operating profit 5 percent higher than same period of 2012

DETROIT – Cobo Center entered the fourth quarter of its 2013 fiscal year with \$877,000 higher operating revenue than the first nine months of last year, while keeping current-year operating expenses nearly \$700,000 under budget, the Detroit Regional Convention Facility reported.

“With the new Grand Riverview Ballroom and Atrium coming on line in September and revenue from those facilities starts rolling in, we’ll have made it through a challenging year in a strong position for growth,” said Patrick Bero, CEO/CFO of the Detroit Regional Convention Facility Authority.

Overall net income for fiscal 2013 was \$1.7 million at the end of June, which is lower than the same period of 2012 because of higher non-operating expenses such as interest and depreciation. But the \$1.7 million profit was \$527,000 greater than the board expected through June. DRCFA’s budget for this year anticipated a \$1.5 million loss.

Operating revenue was \$17.84 million through June 30 of the current fiscal year, up 5.1 percent compared with \$16.96 million in the year-ago period.

By spending \$11.3 million on operations through June, the DRCFA saved \$696,000 of the \$11.95 million that was budgeted for the first nine months of the fiscal year.

The DRCFA also reported that its capital improvement program remained on budget, with 61.9 percent of the \$279 million project completed through June 30.

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About the Detroit Regional Convention Facility Authority:

The Detroit Regional Convention Facility Authority (DRCFA) was created in 2009 to operate Cobo Convention and Exhibition Center in Detroit under long-term lease from the City of Detroit. The DRCFA Board of Directors is comprised of five representatives selected by the Governor of Michigan, the Mayor of Detroit, and the county executives of Wayne, Oakland and Macomb Counties. The DRCFA receives funding from revenues at Cobo Center as well as support from the state’s Convention Fund. For more information, visit www.DRCFA.org.

