

Capital Improvement Board

2026 Budget Presentation

September 11, 2025

CIB Overview

- ▶ CIB was created by Indiana Code (IC) 36-10-9
- ▶ Authorized to finance, construct, equip, operate and maintain capital facilities or improvements of general public benefit or welfare which would tend to promote convention, cultural, entertainment and civic well-being of the community.
- ▶ Own, and/or operate world class facilities:
 - ▶ Indiana Convention Center
 - ▶ Lucas Oil Stadium
 - ▶ Gainbridge Fieldhouse
 - ▶ Victory Field
 - ▶ Pan Am Tower
 - ▶ Virginia Avenue Garage
 - ▶ Hudnut Commons Garage
 - ▶ Surface parking lots

CIB Overview

- ▶ Board is composed of 9 members
 - ▶ 5 appointed by the Mayor of Indianapolis
 - ▶ 2 appointed by the Governor of Indiana
 - ▶ 1 appointed by County Commissioners of each county which has food and beverage tax in effect under IC 6-9-35
- ▶ 175 Full time employees
- ▶ Departments include Pipefitters, Electricians, Carpenters, Painters, Telecom, Field Technicians, Housekeepers, Grounds, Set-Up, Install & Dismantle, Sound & Light, Event Coordinators, Sales, Safety, Facilities, Accounting, Legal and Administration.

Community Impact

- ▶ Economic Impact of Attracting Visitors
 - ▶ Attendance for Lucas Oil Stadium and Indiana Convention Center
 - ▶ 2023 = 1.9 million
 - ▶ 2024 = 2.6 million
 - ▶ 2024 Individual events
 - ▶ Gen Con = 71k attendees and \$75M economic Impact
 - ▶ Future Farmers of America = 70k attendees and \$40M Economic Impact
 - ▶ U.S. Swim Trials = 285k attendees and \$132M economic Impact
 - ▶ NBA All-Star Weekend = 81k attendees and \$403M economic impact
 - ▶ Taylor Swift concerts = 361k attendees and \$2.2 BILLION economic Impact
- ▶ Direct Visitor Spending in Marion County in 2023 was \$3.8 Billion
- ▶ Tourism generated \$463M in state and local taxes in 2023

Community Impact

- ▶ Help Develop/Maintain a Vibrant Downtown
- ▶ Continual Capital Investment
 - ▶ Keep City Competitive
 - ▶ Strategic Infrastructure
 - ▶ Marketing Efforts to Attract the Next Big Event
- ▶ The tourism industry provides over 47k jobs in Marion County. That equates to \$1.9 Billion in wages per year
- ▶ The CIB pays the Department of Public Safety 25% of the Additional Auto Rental and Admission Taxes. In 2024 that totaled \$3.6 million.
- ▶ Collaborate with Community Partnerships

Past Successes

- ▶ Past Years' Successes
 - ▶ 2024 was record breaking with Total Revenues of \$238M
 - ▶ 2024 had record attendance at LOS and ICC with 2.6M attendees
 - ▶ 2024 record of hosting 7 Concert nights
 - ▶ Implemented Security Changes based on Review
 - ▶ Maintaining the Aging Facilities
 - ▶ Received GFOA's Certification of Achievement for Excellence in Financial Reporting for the 39th year in a row
 - ▶ Culture of Continual Improvement
 - ▶ Hired Interpreters for guests, clients and employees
 - ▶ Indianapolis Continues to be recognized as a top convention city in the country

2026 Goals

- ▶ To Host More and Larger Events
 - ▶ Concerts
 - ▶ 2026 Final Four
 - ▶ World Wrestling Entertainment
 - ▶ American Society of Association Executives
 - ▶ Society of Hispanic Professional Engineers
 - ▶ Numerous other events
- ▶ Continue to foster economic growth in the community and be an essential driver to the economic vitality of the City
- ▶ Continue to develop and serve the City's convention, cultural, entertainment and recreational activities

2026 Budget Overview

- ▶ 2026 Budgeted Revenues are \$212M, which are down 10% or \$24M from the 2025 Budget.
- ▶ 2026 Budgeted Expenses are \$247M, which are down 9% or \$25M from the 2025 Budget.
- ▶ The 2026 Budget has a Net Amount of (\$35.5M), which is about \$1M better than the 2025 Budget.

Budget Funding

- ▶ Net Amount for 2026 Budget is (\$35.5M).
- ▶ This negative net amount will be covered by utilizing funds from CIB unrestricted operating reserves.
- ▶ As of June 30, 2025, the CIB had \$239M in unrestricted operating reserves. It is anticipated that the unrestricted operating reserves will be about \$209M at the end of 2025.

Tax Revenues

2026 Budget - \$160,133,000

2025 Budget - \$149,802,000

- ▶ Tax Revenues are budgeted to increase 7% over the 2025 Budget.
 - ▶ Admissions Tax is up \$5.4M or 29% over the 2025 Budget due to planned events and the continued success of the Pacers and Fever.
 - ▶ Additional/Hotel Professional Sports Development Area (PSDA) Tax did not change from the 2025 Budget due to the \$24 million cap.

Operating Revenues

2026 Budget - \$51,536,000

2025 Budget - \$85,998,000

- ▶ Operating Revenues are budgeted to decrease \$34.5M or 40% from the 2025 Budget.
 - ▶ Food Service and Concessions are down \$2.1M or 22% from the 2025 Budget due to expected higher costs.
 - ▶ Labor Reimbursements are up 9% or \$1.9M over the 2025 budget due to the expected events.
 - ▶ Miscellaneous Income is down \$33.8M. This variance is due to a \$34M potential infusion funding from the City that was budgeted in 2025 and is not budgeted in 2026. During 2025, that funding was spread over time as opposed to all at once.
 - ▶ Investment Income is down in the 2026 budget by \$2.0M or 22% due to lower cash balance and a potential decrease in interest rates.

Character 01 – Personal Services

2026 Budget - \$32,386,000

2025 Budget - \$30,085,000

- ▶ Personal Services is budgeted to increase 8% or \$2.3M from the 2025 Budget.
 - ▶ Salary and Wages for Full and Part-Time employees have a possible 3% increase included.
 - ▶ Union Health & Welfare/Pension costs are up due to wage and benefits increases in recent contract negotiations.

Character 02 - Supplies

2026 Budget - \$8,212,000

2025 Budget - \$7,291,000

- ▶ The Supplies category is 13% or \$921k more than the 2025 Budget mainly due to increasing costs.
- ▶ Starting in 2026, the Parts and Supplies and the Repairs and Maintenance lines have been combined into the Parts and Supplies line.

Character 03 – Other Services

2026 Budget - \$140,130,000

2025 Budget - \$112,853,000

- ▶ Other Services expense increased \$27.3M or 24% over the 2025 Budget.
 - ▶ Security increased \$4.0M or 82% over the 2025 Budget. This increase is due to our continued work to have best in class security at our facilities and the result of a recent security review.
 - ▶ Consultant Fees increased \$2.2M. Consulting work is budgeted for a soccer stadium, hotel, food service (ICC & LOS), and promoting concerts.
 - ▶ Contractual Miscellaneous is up \$1.2M mainly due to the NCAA Final Four basketball tournament.
 - ▶ Repairs and Maintenance is up \$4.1M or 81%. This increase is due to scheduled repairs and maintenance.
 - ▶ Other Grants is up \$11.5M. This increase includes grants for the Signia Hotel, repairs to the Pan Am Tower and to Visit Indy for the American Society of Association Executives conference.

Character 04 – Capital Investments

2026 Budget - \$35,169,000

2025 Budget - \$84,988,000

- ▶ Capital Investments decreased \$49.8M from the 2025 Budget mainly due to the CIB Board approved hotel construction cost that were in the 2025 Budget.
- ▶ Some of the bigger projects in 2026 include:
 - ▶ \$8M - Skybridge from Convention Center to the Signia Hotel
 - ▶ \$7M - Wi-Fi replacement at Lucas Oil Stadium
 - ▶ \$5M - Skybridge from the Fieldhouse to the Shinola Hotel
 - ▶ \$4M - Seating at Victory Field
 - ▶ \$4M - Skybridge from Virginia Avenue Garage to the Fever Practice Facility
 - ▶ \$1.5M - Board Room/Offices/Lobby Renovation at Indiana Convention Center

Debt Service

2026 Budget - \$31,247,000

2025 Budget - \$37,044,000

- ▶ Debt Service decreased \$5.8M or 16% per bond payment schedules.

Budgeting For Equity

2024-2025 Accomplishments

- ▶ Quarterly DEI Training of Salaried and CBA Staff
- ▶ Continued Membership in Diversity Roundtable of Indy Chamber
- ▶ Sponsored two (2) work-study students from Providence Cristo-Rey High School
- ▶ Implementing B2GNow Procurement Software to Account for XBE Spend
- ▶ Hired One (1) National McClendon Minority Leadership Fellow at Lucas Oil Stadium
- ▶ Significant Financial Sponsorship of:
 - ▶ Indy Black Chamber of Commerce
 - ▶ Indiana Latino Expo
 - ▶ EmployIndy

XBE Spend

**Capital Improvement Board
XBE Summary Report
as of July 31, 2025**

<u>Total CIB Payments</u>	<u>MBE</u>	<u>MBE %</u>	<u>WBE</u>	<u>WBE %</u>	<u>VBE</u>	<u>VBE %</u>	<u>DOBE</u>	<u>DOBE %</u>
\$ 40,097,652	\$ 6,829,365	17%	\$ 3,703,599	9%	\$ 2,321	0%	\$ 21,000	.1%
	Goals	15%		8%		3%		1%

Questions or Comments?