



SANTA CLARA CONVENTION CENTER FINANCIAL STATUS REPORT (Unaudited) Quarter Ending September 30, 2018



January 29, 2019

Overview

The Santa Clara Convention Center (SCCC) is strategically located in the heart of Silicon Valley, a prime location for conventions, trade shows, and exhibitions. The SCCC is minutes from hotels, restaurants, Levi's Stadium, Great America Theme Park, and many of the largest and most influential technology companies in the world, with easy access to freeways and Norman Y. Mineta San Jose International Airport and only 45 miles south of San Francisco.

The Convention Center features 100,000 square feet of exhibit space, a 22,400 square foot ballroom, 31 breakout rooms and a 607-seat theater and attracts over 350,000 visitors annually. The facility is an integral economic component to Santa Clara, generating economic benefits through attendee direct and indirect spending and sustaining over 500 local jobs.

For more information, please visit santaclaraconventioncenter.org.



Santa Clara Convention Center Fiscal Year 2018-19 1st Quarter

71,576
Total Attendance

102
Total Events

\$1,233,387
Total SCCC Revenue

\$2,625,789
Direct Economic
Impact generated from
SCCC Events

Gross Estimated Economic Impact First Quarter 2018-19				
Event Category	# of Events	Avg Event Days	Attendees	Estimated Total Revenue*
Banquet	4	1	2,400	\$ 94,431
City Wides				
Conventions	9	5	21,300	743,374
Meetings	69	1	27,676	1,370,322
Public Shows	11	1	7,500	51,025
Trade Shows	9	2	12,700	366,637
TOTAL	102	2	71,576	\$ 2,625,789

* Includes space rental, food/beverage, audio visual, digital advertising and telecommunications

2nd Quarter Projection

Currently, 116 events with a total potential attendance of 84,875 are scheduled for the 2nd Quarter.

2nd Quarter 2018-19 Projection	
Events	116
Attendees	84,875

Financial Results

Revenue

Revenue through the first quarter of 2018-19 was \$1,233,387 representing 16% of the overall annual budget for revenue. This is a decrease in revenue of \$298,854 when compared to the prior year. The decrease was due to lower than budgeted revenues from both our catering and audio-visual partners due to fewer shows, attendees and change in event mix.

Expenses

Total expenses through the first quarter totaled \$1,730,874, representing 24% of the annual budget for expenses. This is an increase \$166,914 when compared to the prior year. This is due to the City Allocated contract costs (\$42K), increase in utilities (\$48K), and increased payroll and benefit costs that were included in the approved budget.

Net Income

The Convention Center ended the first quarter with an YTD loss of \$497,487.

SANTA CLARA CONVENTION CENTER

Quarter Ending September 30, 2018

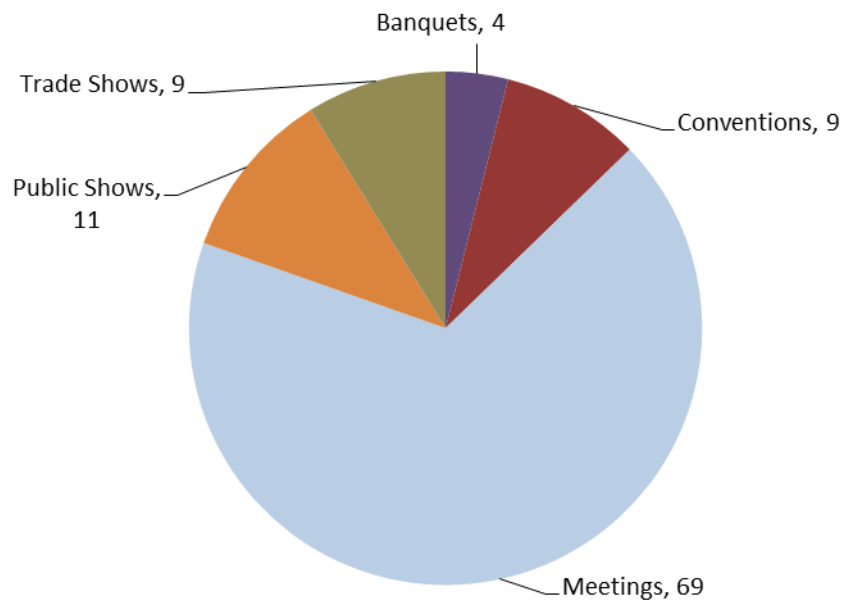
Santa Clara Convention Center Income Statement Comparisons								
	Quarter Ending September 30, 2018				Quarter Ending September 30, 2017			
	Final Budget	YTD Actuals	Remaining Balance	% Used	Final Budget	YTD Actuals	Remaining Balance	% Used
Revenues								
Space Rental	\$ 3,100,000	\$ 793,408	\$ 2,306,592	26%	\$ 2,800,000	\$ 968,953	\$ (1,831,047)	35%
Event Revenue	482,000	106,492	375,508	22%	455,575	119,932	(335,643)	26%
Audio-Visual	847,647	71,624	776,022	8%	927,052	116,623	(810,429)	13%
Catering	2,650,000	4,928	2,645,072	0%	2,647,923	195,955	(2,451,968)	7%
Telecommunications	330,000	174,668	155,332	53%	330,000	83,270	(246,730)	25%
Other	89,000	82,267	6,733	92%	104,000	47,509	(56,491)	46%
Total Revenues	7,498,647	1,233,387	(6,265,260)	16%	7,264,551	1,532,241	(5,732,310)	21%
Labor & Operating Expenses								
Employee Related Expenses								
Wages, Taxes & Insurance	4,327,177	1,007,428	3,319,749	23%	4,156,776	945,298	(3,211,478)	23%
Benefits	1,270,739	274,691	996,049	22%	1,204,751	223,017	(981,734)	19%
Operating Expenses								
Insurance	206,900	50,116	156,784	24%	197,376	45,631	151,745	23%
Maintenance & Supplies	316,255	49,820	266,435	16%	229,721	38,465	191,256	17%
Management Fee	-	-	-		145,291	36,320	108,971	25%
Monthly Service Contracts	167,717	43,874	123,843	26%	146,923	34,482	112,441	23%
Office & Legal	190,770	13,743	177,027	7%	229,930	45,425	184,505	20%
Parking Fees & Rentals	25,000	5,786	19,214	23%	30,000	-	30,000	0%
Utilities	819,266	236,898	582,368	29%	806,065	188,446	617,618	23%
City Allocated Contract Costs	-	48,518	(48,518)		-	6,875	(6,875)	
Total Labor & Operating Expense:	7,323,824	1,730,874	5,592,950	24%	7,146,833	1,563,960	5,582,873	22%
Net Income/(Loss)	\$ 174,823	\$ (497,487)	\$ 672,310		\$ 117,718	\$ (31,718)	\$ 149,437	

NOTE: Totals may not add due to rounding

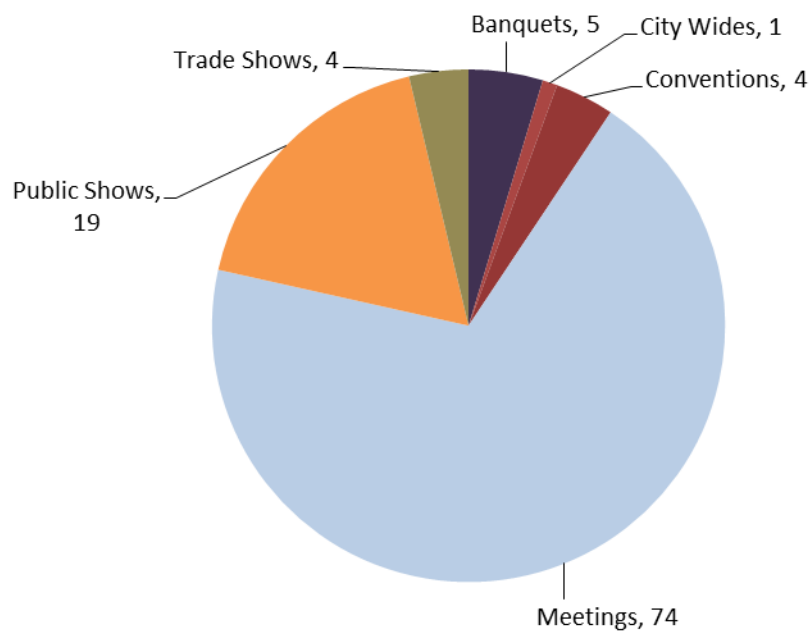
Event Mix Statistics

Results	Q1 2018-19	Q1 2017-18
Number of Events	102	107
Number of Event Days	197	189
Attendance	71,576	99,962

2018-2019



2017-2018



Revenue

General Fund sales tax and transient occupancy tax (TOT) collections result from the direct and indirect economic activity related to Convention Center events. In addition, other businesses in Santa Clara benefit from the influx of people coming into town to attend various events, resulting in additional sales tax collections.

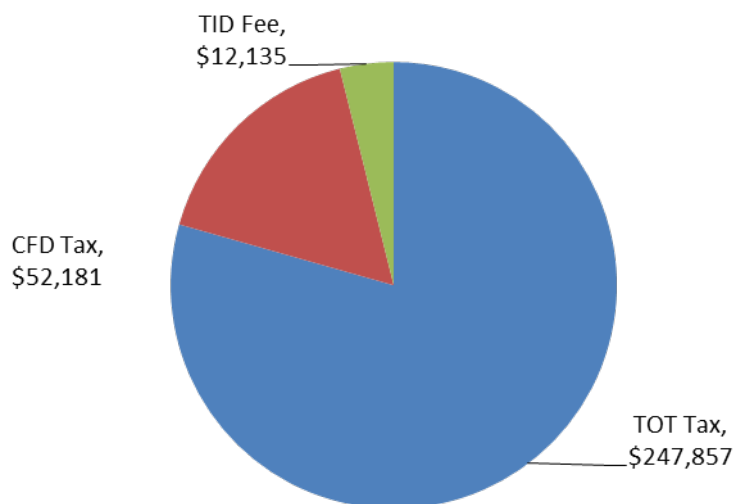
Sales Tax Revenue

Sales generated from food and beverage, audio-visual and telecommunication sales are taxable, resulting in sales tax revenue for the City. The 1st Quarter 2018-19 sales tax collections indicate that sales transactions at the Convention Center generated \$141,592 of sales tax revenue.

Hotel Revenue

During 1st Quarter 2018-19, the events generated an estimated \$2,609,025 in Hotel Revenue. This is based on 12,135 room nights based on an Average Daily Rate of \$215.

Hotel Tax Revenue includes the Tourism Improvement District Fee (TID), Community Facilities District Tax (CFD), and Transient Occupancy Tax (TOT). Total Hotel Tax Revenue for the quarter was \$312,173.



2018-19 Capital Improvement Program Budget

The Convention Center capital improvement program budget for fiscal year 2018-19 totals \$55,800. The following table provides a breakdown of the budget as of 1st Quarter 2018-19.

Santa Clara Convention Center Capital Improvement Projects 2018-19				
Description	QTY	Annual Budget	Actual to Date	Budget Remaining
Design Study for Terrace	1	\$ 10,000	\$ -	\$ 10,000
Surveillance System Expansion/Upgrade	1	30,800	-	\$ 30,800
Chilled water and HVAC Design Study	1	15,000	-	\$ 15,000
TOTAL		\$ 55,800	\$ -	\$ 55,800

