



SANTA CLARA CONVENTION CENTER AND CONVENTION - VISITOR'S BUREAU

FINANCIAL STATUS REPORT (Unaudited)

Quarter Ending December 31, 2017



January 26, 2018

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 2017-18 2nd Quarter

95,388
 Total Attendance

126
 Total Events

\$2,505,919
 Total Revenue

\$4,613,130
 Direct Economic
 Impact generated from
 SCCC Events

Gross Estimated Revenue Second Quarter 2017-18				
Event Category	# of Events	Avg Event Days	Attendees	Estimated Total Revenue*
Banquet	23	1	21,270	\$ 1,182,857
City Wides	0	0	0	-
Conventions	7	2	5,700	904,943
Meetings	71	1	34,318	1,777,118
Public Shows	19	1	20,800	132,718
Trade Shows	6	2	13,300	615,494
TOTAL	126	1	95,388	\$ 4,613,130

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

3rd Quarter Projection

- Currently, 98 events with a total potential attendance of 77,115 are scheduled for the 3rd Quarter.

3rd Quarter 2017-18 Projection	
Events	98
Attendees	77,115

Financial Results

Revenue

Revenue through the second quarter of 2017-18 was \$4,038,160, representing 56% of the overall annual budget for revenue. This is an increase in revenue of \$276,359, when compared to the prior year due primarily to an increase in the number and attendance of banquets.

Expenses

Total expenses through the second quarter totaled \$3,212,208, representing 45% of the annual budget for expenses. This is a decrease of \$69,376 when compared to the prior year due primarily to a decrease in labor related costs.

Net Income

The Convention Center ended the second quarter with a YTD profit of \$825,952.

SANTA CLARA CONVENTION CENTER and CONVENTION-VISITOR'S BUREAU FINANCIAL STATUS REPORT

Quarter Ending December 31, 2017

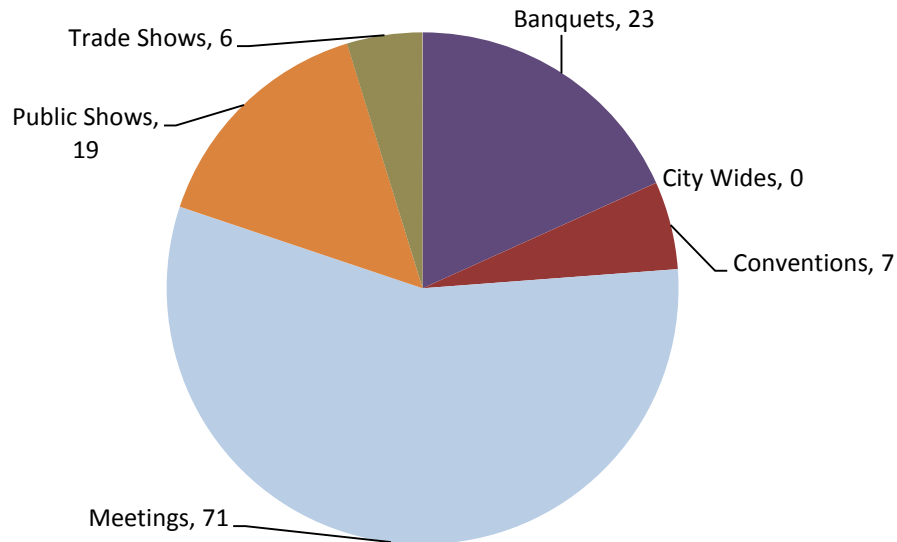
Santa Clara Convention Center Income Statement Comparisons								
	YTD for Quarter Ending December 31, 2017				YTD for Quarter Ending December 31, 2016			
	Annual Budget	YTD Actuals	Remaining Balance	% Used	Annual Budget	YTD Actuals	Remaining Balance	% Used
Revenues								
Space Rental	\$ 2,800,000	\$ 1,768,955	\$ 1,031,045	63%	\$ 2,600,000	\$ 1,545,469	\$ 1,054,531	59%
Event Revenue	455,575	294,853	160,722	65%	474,000	206,884	267,116	44%
Audio-Visual	927,052	338,262	588,790	36%	758,734	381,292	377,441	50%
Catering	2,647,923	1,242,278	1,405,646	47%	2,600,000	1,231,230	1,368,770	47%
Telecommunications	330,000	237,199	92,801	72%	333,039	350,770	(17,731)	105%
Other	104,000	156,613	(52,613)	151%	69,200	46,156	23,044	67%
Total Revenues	7,264,551	4,038,160	3,226,390	56%	6,834,973	3,761,801	3,073,171	55%
Labor & Operating Expenses								
Employee Related Expenses								
Wages, Taxes & Insurance	4,156,776	1,922,562	2,234,214	46%	3,897,353	1,951,255	1,946,097	50%
Benefits	1,204,751	475,864	728,887	39%	1,200,873	535,602	665,270	45%
Operating Expenses								
Insurance	197,376	91,243	106,133	46%	190,443	90,203	100,240	47%
JLL Evaluation	-	34,375	(34,375)		-	-	-	
Maintenance & Supplies	229,721	78,743	150,978	34%	219,665	97,955	121,710	45%
Management Fee	145,291	72,644	72,647	50%	136,399	68,346	68,053	50%
Monthly Service Contracts	146,923	70,860	76,063	48%	138,884	66,697	72,187	48%
Office & Legal	229,930	104,593	125,337	45%	120,200	87,788	32,412	73%
Parking Fees & Rentals	30,000	3,000	27,000	10%	60,000	6,550	53,450	11%
Utilities	806,065	358,325	447,740	44%	759,108	377,186	381,922	50%
Total Labor & Operating Exp.	7,146,833	3,212,208	3,934,624	45%	6,722,925	3,281,584	3,441,341	49%
Net Income/(Loss)	\$ 117,718	\$ 825,952			\$ 112,048	\$ 480,218		

NOTE: Totals may not add due to rounding

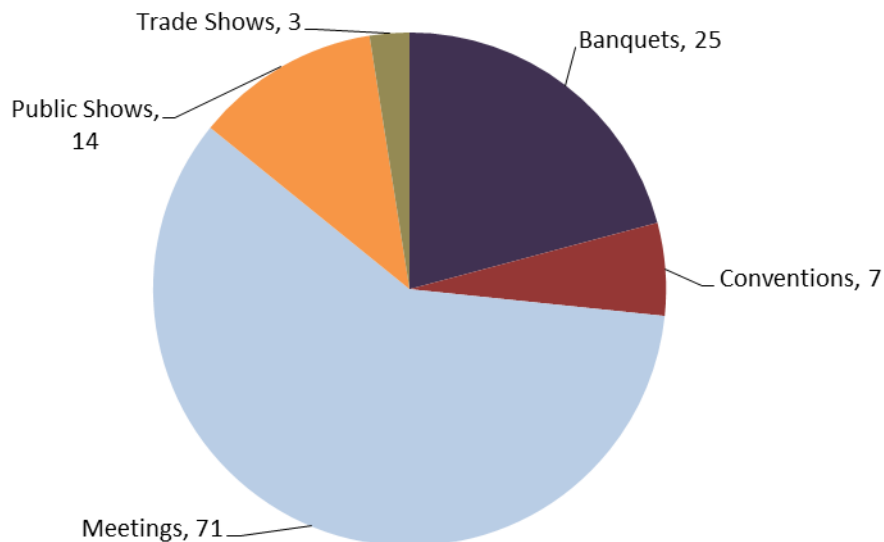
Event Mix Statistics

Results	Q2 2017-18	Q2 2016-17
Number of Events	126	120
Number of Event Days	192	199
Attendance	95,388	76,755

2017-2018



2016-2017



Other Revenue

Increased General Fund sales tax and transient occupancy tax (TOT) collections result from the direct and indirect economic activity related to Convention Center events.

Sales taxes generated from food and beverage, audio-visual, and telecommunication sales are taxable, resulting in significant sales tax revenue for the City. The 2nd Quarter 2017-18 sales tax collections indicate that sales transactions at the Convention Center generated \$406,399 of sales tax revenue. 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 for the General Fund.

Many Convention Center events bring travelers into the region resulting in hotel stays. In 2nd Quarter 2017-18, Convention Center events generated an estimated \$196,132 in TOT (based on an Average Daily Rate (ADR) of \$218) which benefits the City's General Fund.



2017-18 Capital Improvement Program Budget

The Convention Center capital improvement program budget for fiscal year 2017-18 totals \$304,000. The following table provides a breakdown of the budget as of 2nd Quarter 2017-18.

Santa Clara Convention Center Capital Improvement Projects 2017-18				
Description	QTY	Annual Budget	Actual to Date	Budget Remaining
Exhibit Hall floor combo sweeper & scrubber	1	\$ 67,000	\$ -	\$ 67,000
Podium	5	27,000	-	27,000
Roll n Set Stage Units	4	68,000	68,000	-
72 inch Round tables - no carts	60	32,000	-	32,000
Floor Boxes (Exhibit Halls A-D)	N/A	20,000	-	20,000
Switchgear Labeling (OSHA)	N/A	40,000	-	40,000
Repair Makeup Air Unit for Mission Ball Room Kitchen	N/A	50,000	-	50,000
TOTAL		\$ 304,000	\$ 68,000	\$ 236,000

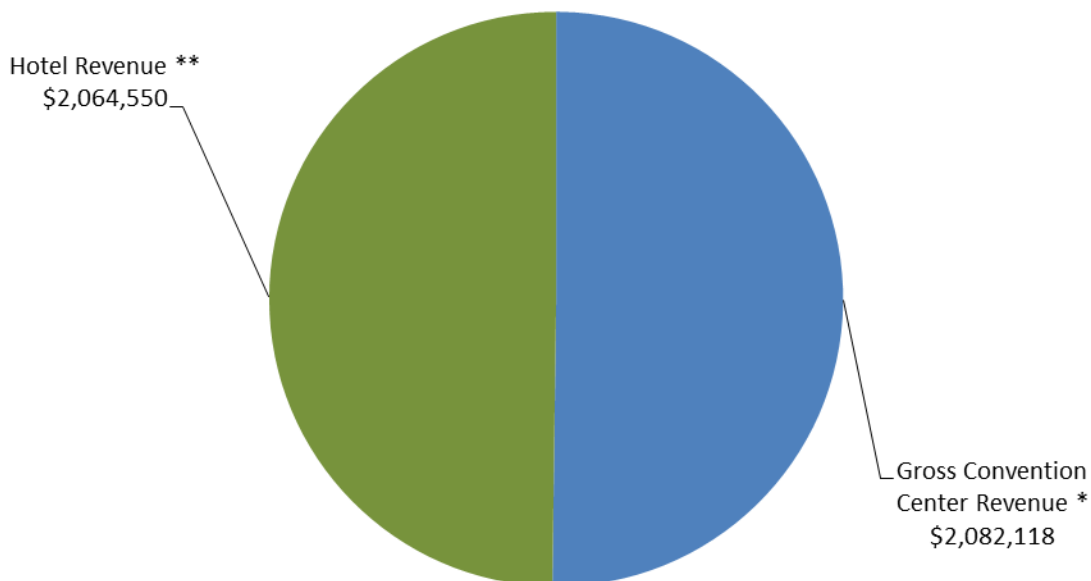
Santa Clara Convention-Visitors Bureau Fiscal Year 2017-18 2nd Quarter

40
Group Bookings

50,570
Attendees

15,473
Room Nights

Gross Estimated Revenue

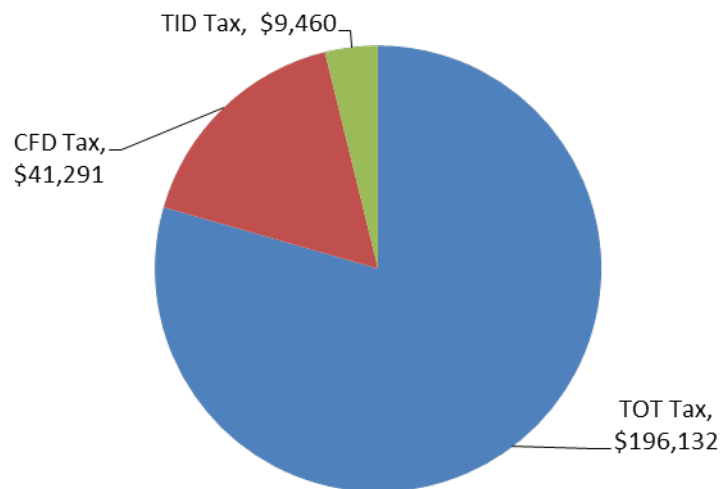


* Gross Convention Center Revenue includes revenue from Convention Center Rental, Audio Visual, Food/Beverage, Telecommunications, Digital Display Advertising and Event Equipment/Services

**Hotel Revenue is based on Actualized Hotel Room Nights x Average Daily Rate (ADR) (ADR is based on average daily rate for the respective quarter)

Hotel Tax Revenue

Hotel Tax Revenue includes the Tourism Improvement District Tax (TID), Community Facilities District Tax (CFD), and Transient Occupancy Tax (TOT). Total Hotel Tax Revenue for the quarter was \$246,883 and is based on 9,460 actualized room nights.



3rd Quarter Projection

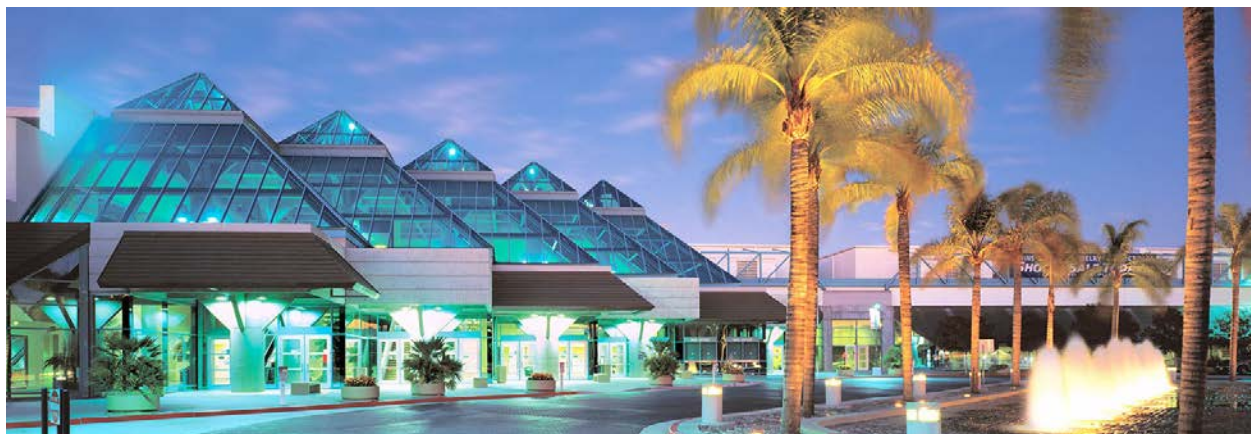
Currently, 16 group bookings with a total potential attendance of 31,030 and 16,686 hotel room nights are scheduled for the 3rd Quarter.

3rd Quarter 2017-18 Projection	
Bookings	24
Attendees	31,030
Room Nights	16,686

Santa Clara Convention and Visitor's Bureau Cost Comparison

	Year to Date Quarter Ending December 31, 2017			
	Annual Budget	YTD Actuals	Remaining Balance	% Used
Group Marketing & Sales	\$ 1,090,874	\$ 400,172	\$ 690,702	37%
Convention Services	156,143	67,470	88,673	43%
Visitor Marketing and Communications	420,985	191,560	229,426	46%
Total	\$ 1,668,002	\$ 659,202	\$ 1,008,801	40%

	Year to Date Quarter Ending December 31, 2016			
	Annual Budget	YTD Actuals	Remaining Balance	% Used
Group Marketing & Sales	\$ 1,060,626	\$ 414,317	\$ 646,309	39%
Convention Services	134,042	64,996	69,046	48%
Visitor Marketing and Communications	514,060	179,958	334,102	35%
Total	\$ 1,708,728	\$ 659,271	\$ 1,049,457	39%



Visitor Marketing & Communications Department Highlights

- Visitor Marketing & Communications continued to have a significant impact and influence on direct spending in the City of Santa Clara in the second quarter.
- SantaClara.org website saw 28,275 NEW users during the quarter, resulting in \$1.0 million in estimated visitor spending at Santa Clara hotels, restaurants, and visitor attractions. (Destination Marketing Association of the West CVB Website conversion study metric).
- Hosted a Santa Clara focused presentation/reception in cooperation with TID hotels and visitor attractions (California's Great America and Intel Museum) in Los Angeles for 25 Japanese and Chinese travel buyers.
- *Visit Santa Clara* social media following grew by 219 to over 52,000 opt-in followers.
- *Visit Santa Clara* destination videos saw 5,743 new views.
- Responded to multiple travel trade media requests for Santa Clara visitor information.
- Fulfilled 211 consumer requests for visitor information.
- Produced monthly CVB eNews to stakeholders.
- Managed both visitor and convention calendar of events.
- Managed *Visit Santa Clara*, Convention Center, and *Sports Santa Clara* websites.

