

**San Diego Convention Center Corporation**  
**FY2024 Budget - Board Approved 3-29-2023**  
**Corporate Summary**

Apr 12, 2023

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	<b>FY2023 BUDGET</b>	<b>FY2023 FORECAST</b>	<b>FY2024 PROPOSED BUDGET</b>	<b>FY2025 PROJECTION</b>
<b>OPERATING REVENUES</b>				
Rev-1 Building Rent	\$8,966,390	\$9,395,833	\$9,624,410	\$8,860,730
Rev-2 Food & Beverage	11,790,680	13,093,188	14,959,860	18,360,780
Rev-3 Event Services	3,764,740	3,674,432	4,321,960	4,539,330
Rev-4 Utilities	6,558,200	6,213,466	6,599,980	6,967,000
Rev-5 Telecommunications	3,947,770	5,599,397	5,454,420	5,756,520
Rev-6 Audio & Visual	1,100,220	1,929,667	1,440,340	1,570,430
Rev-7 Business Development	876,100	770,062	1,043,400	1,095,580
Rev-8 Interest/Investment Income	100,000	20,000	100,000	100,000
Rev-9 Other Revenues	80,260	93,600	94,600	99,350
<b>TOTAL OPERATING REVENUES</b>	<b>\$37,184,360</b>	<b>\$40,789,645</b>	<b>\$43,638,970</b>	<b>\$47,349,720</b>
<b>OPERATING INFLOWS</b>				
Sub-1 City of San Diego - Marketing	\$2,655,000	\$2,655,000	\$2,734,650	\$2,816,690
Sub-2 City of San Diego - Funding	0	0	5,000,000	7,000,000
<b>TOTAL OPERATING INFLOWS</b>	<b>\$2,655,000</b>	<b>\$2,655,000</b>	<b>\$7,734,650</b>	<b>\$9,816,690</b>
<b>TOTAL REVENUES AND INFLOWS</b>	<b>\$39,839,360</b>	<b>\$43,444,645</b>	<b>\$51,373,620</b>	<b>\$57,166,410</b>
<b>OPERATING EXPENSES</b>				
Wages-1 Salaries & Wages - Full Time	\$15,289,590	\$15,219,926	\$18,197,199	\$19,355,312
Wages-2 Salaries & Wages - Part Time	4,668,190	4,677,903	5,570,308	5,848,823
Wages-3 Fringe Benefits	5,501,180	5,633,612	6,558,413	6,897,461
<b>TOTAL PERSONNEL EXPENSES</b>	<b>\$25,458,960</b>	<b>\$25,531,441</b>	<b>\$30,325,920</b>	<b>\$32,101,596</b>
Exp-1 General Expenses	\$1,978,740	\$1,965,830	\$2,556,983	\$2,679,670
Exp-2 Repair & Maintenance	4,795,260	5,274,277	6,084,883	6,389,180
Exp-3 Utilities	4,594,560	5,460,000	5,955,000	6,252,750
Exp-4 Contracted Services	1,532,520	1,348,634	718,840	754,780
Exp-5 Travel & Transportation	67,180	80,115	110,735	116,280
Exp-6 Insurance	683,230	672,798	763,000	801,160
Exp-7 Telecommunications	59,650	53,372	92,100	96,710
Exp-8 Sales & Marketing	2,702,310	2,696,227	2,784,440	2,863,675
Exp-9 Supplies	603,400	589,103	689,350	723,840
<b>TOTAL SUPPLIES &amp; SERVICES</b>	<b>\$17,016,850</b>	<b>\$18,140,356</b>	<b>\$19,755,331</b>	<b>\$20,678,045</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$42,475,810</b>	<b>\$43,671,797</b>	<b>\$50,081,251</b>	<b>\$52,779,641</b>
<b>NET OPERATING REVENUES / EXPENSES</b>	<b>-\$2,636,450</b>	<b>-\$227,152</b>	<b>\$1,292,369</b>	<b>\$4,386,768</b>
<b>DEBT SERVICE EXPENSES</b>				
Exp-10 Interest Expense (Loan Payable)	\$806,980	\$806,969	\$776,809	\$748,161
Exp-11 Loan Admin Fee	67,440	67,436	64,915	62,520
Debt-1 Principal: Warehouse Lease	1,650	1,650	0	0
Debt-2 Principal: IBank Loan	813,670	813,670	842,880	873,140
<b>TOTAL DEBT SERVICE EXPENSES</b>	<b>\$1,689,740</b>	<b>\$1,689,725</b>	<b>\$1,684,604</b>	<b>\$1,683,821</b>

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			<b>FY2024 PROPOSED BUDGET</b>	<b>FY2025 PROJECTION</b>	
	<b>FY2023 BUDGET</b>	<b>FY2023 FORECAST</b>			
<b>CAPITAL INVESTMENTS</b>					
CapX -CIP	CIP - Infrastructure Projects	\$6,910,000	\$1,375,000	\$11,960,000	\$3,750,000
Debt-3	Debt Finance offset (IBank/Roof)	<b>-\$5,160,000</b>	\$0	\$0	\$0
CapX -OM	O&M - Operating & Major Maintenance Capital items	\$1,306,700	\$1,104,692	\$1,310,978	\$390,300
	<b>TOTAL CAPITAL INVESTMENTS (Net of Debt)</b>	<b>\$3,056,700</b>	<b>\$2,479,692</b>	<b>\$13,270,978</b>	<b>\$4,140,300</b>
	<b>NET OPERATING RESERVE IMPACT</b>	<b>-\$7,382,890</b>	<b>-\$4,396,569</b>	<b>-\$13,663,213</b>	<b>-\$1,437,353</b>

<b>OPERATING RESERVE ACTIVITY</b>	<b>FY2023 BUDGET</b>	<b>FY2023 FORECAST</b>	<b>FY2024 PROPOSED BUDGET</b>	<b>FY2025 PROJECTION</b>
<b>Beginning Operating Reserve</b>	\$24,257,668	\$29,335,545	\$24,938,976	\$11,275,763
+ Net Operating Revenues / (Expenses)	<b>-2,636,450</b>	<b>-227,152</b>	1,292,369	4,386,768
+ PPP Loan Forgiveness	0	0	0	0
- Debt Service Obligation	<b>-1,689,740</b>	<b>-1,689,725</b>	<b>-1,684,604</b>	<b>-1,683,821</b>
- Capital Investment (Net of Debt)	<b>-3,056,700</b>	<b>-2,479,692</b>	<b>-13,270,978</b>	<b>-4,140,300</b>
<b>Ending Reserve Balance</b>	<b>\$16,874,778</b>	<b>\$24,938,976</b>	<b>\$11,275,763</b>	<b>\$9,838,410</b>
Reserve Minimum Balance (8%)	\$3,132,124	\$3,132,124	\$2,992,512	\$3,341,166
Over / (Under) Reserve Minimum Balance	\$13,742,654	\$21,806,852	\$8,283,251	\$6,497,244

### 3 Yr - Capital Outlook

Board approved 3-29-2023

<b>CIP Projects</b>	<b>FY2024 Budget</b>	<b>FY2025 Proposed</b>	<b>FY2026 Proposed</b>	<b>3-Year CIP total Proposed</b>
West Roof Planning and Design	1,900,000	-	13,860,000	15,760,000
Fire/Life/Safety	80,000	-	-	80,000
Mechanical Systems	800,000	3,250,000	12,339,812	16,389,812
West Kitchen Remodel	4,000,000	-	-	4,000,000
Electrical Systems	880,000	-	-	880,000
Building Reconditioning Projects	4,300,000	250,000	300,000	4,850,000
Concrete	-	250,000	2,403,907	2,653,907
<b>Total Capital Infrastructure Projects</b>	<b>\$ 11,960,000</b>	<b>\$ 3,750,000</b>	<b>\$ 28,903,719</b>	<b>\$ 44,613,719</b>
To be Debt Financed			13,860,000	13,860,000
<b>Net Cash Investment Needed</b>	<b>11,960,000</b>	<b>3,750,000</b>	<b>15,043,719</b>	<b>\$ 30,753,719</b>

<b>Operating Equipment &amp; Major Maintenance</b>				
Kitchen Equipment	40,000	-	-	40,000
Plumbing	280,000	-	-	280,000
Technology	373,000	335,300	250,000	958,300
Public Safety			1,149,369	1,149,369
Operating Equipment & Major Maintenance	617,978	55,000	41,000	713,978
<b>Total Capital Infrastructure Projects</b>	<b>\$ 1,310,978</b>	<b>\$ 390,300</b>	<b>\$ 1,440,369</b>	<b>\$ 3,141,647</b>
<b>Total Capital Needs</b>	<b>\$ 13,270,978</b>	<b>\$ 4,140,300</b>	<b>\$ 30,344,088</b>	<b>\$ 47,755,366</b>
To be Debt Financed			13,860,000	13,860,000
<b>Net Cash Investment Needed</b>	<b>\$ 13,270,978</b>	<b>\$ 4,140,300</b>	<b>\$ 16,484,088</b>	<b>\$ 33,895,366</b>

1=Emergency, Health/Safety/Mandates

2=Frequent Problems/expired useful life/impacts revenue generation or increases costs

3=Public Demand/Benefit, Client facing and synergy with other projects/Purchasing Power

4=Planned replacement with avail funding

### 3 Yr - CIP Outlook (Capital Infrastructure Projects)

		FY2024	FY2025	FY2026	3-Year CIP total
PRIORITY	PROJECT DESCRIPTION	Budget	Proposed	Proposed	Proposed
<b>West Roof Planning and Design</b>					
1	Roof Engineering/Design Consultant - (Permitting, studies, solar analysis), the design-build, demo, construction (design in '24 & construction in '26)	400,000	-	3,960,000	4,360,000
2	Renovate West Pro Shop (assumes plumbing issues with healthy contingency)	500,000	-	-	500,000
3	Solar (optional) addition to roof	1,000,000	-	9,900,000	10,900,000
<b>Total CIP Project:</b>		<b>1,900,000</b>	<b>-</b>	<b>13,860,000</b>	<b>15,760,000</b>
<b>Fire/Life/Safety</b>					
1	Fire Pump (Install) - to complete in FY2024	80,000	-	-	80,000
<b>Total CIP Project:</b>		<b>80,000</b>	<b>-</b>	<b>-</b>	<b>80,000</b>
<b>Mechanical Systems: Central Plant Replacement (Based on TK1/Facility Assessment)</b>					
1	AHU's replacement/refurb (West Building)	-	1,600,000	1,300,000	2,900,000
1	AHU's replacement/refurb (Sail Pavilion)			200,000	200,000
2	Sail Pavilion Boiler/Chillers			839,812	839,812
3	Building Automation System Upgrade	400,000	400,000	1,000,000	1,800,000
2	Metasys System Upgrade (Phased replacement of NAE devices, N2 Field Controllers, and other outdated devices)	400,000			400,000
2	Central Plant Overhaul (2 boilers, 5 chillers, 26 pumps, HW/CW loop)	-	1,000,000	9,000,000	10,000,000
2	Air Delivery System: Upgrade - Ballroom 20	-	250,000	-	250,000
<b>Total CIP Project:</b>		<b>800,000</b>	<b>3,250,000</b>	<b>12,339,812</b>	<b>16,389,812</b>
<b>West Kitchen Remodel (needs to be done before Expansion demo of East kitchen)</b>					
2	West Kitchen Equipment: Infrastructure (final estimates in a week)	2,000,000		-	2,000,000
2	West Kitchen: Remodel (Equipment Replacement)	2,000,000		-	2,000,000
2	Electric Infrastructure upgrades (moving from gas to electric equipment)	-	-	-	-
<b>Total CIP Project:</b>		<b>4,000,000</b>	<b>-</b>	<b>-</b>	<b>4,000,000</b>

### 3 Yr - CIP Outlook (Capital Infrastructure Projects)

		FY2024	FY2025	FY2026	3-Year CIP total
PRIORITY	PROJECT DESCRIPTION	Budget	Proposed	Proposed	Proposed
<b>Electrical Systems: Need consultant/inventory/assessment to further plan</b>					
1	West Building Main Breaker Modernization	80,000	-	-	80,000
2	Upgrade emergency generator, transfer switch & day tank	500,000	-	-	500,000
2	Lighting Control project Exhibit Halls (west side + some east meeting rooms)	300,000			300,000
<b>Total CIP Project:</b>		<b>880,000</b>	<b>-</b>	<b>-</b>	<b>880,000</b>
<b>Building Reconditioning Projects</b>					
2	Resurface East Kitchen floors	200,000	-	-	200,000
2	Replace air walls (west side)	4,000,000	-	-	4,000,000
3	Design for concession stand replacement	100,000	-	-	100,000
3	Concession stands: Retrofit A-C. Others will be demoed in expansion	-		300,000	300,000
3	Land Development for Marshall Yard - FY2025: Grading, crushed concrete, fencing, gate, electrical, slab for scale, further buildout	-	250,000	-	250,000
<b>Total CIP Project:</b>		<b>4,300,000</b>	<b>250,000</b>	<b>300,000</b>	<b>4,850,000</b>
<b>Concrete</b>					
3	Concrete Study for replacement of front drive, grand staircase and heavily trafficked areas		250,000	-	250,000
3	Front Drive East: Replace Concrete		-	1,614,977	1,614,977
2	Front Drive: Sidewalks		-	788,930	788,930
<b>Total CIP Project:</b>		<b>-</b>	<b>250,000</b>	<b>2,403,907</b>	<b>2,653,907</b>
<b>Total Capital Infrastructure Projects</b>		<b>\$ 11,960,000</b>	<b>\$ 3,750,000</b>	<b>\$ 28,903,719</b>	<b>\$ 44,613,719</b>
To be Debt Financed				13,860,000	13,860,000
<b>Net Cash Investment Needed</b>					<b>\$ 30,753,719</b>

### 3 Yr - O&M (Operating Capital & Maintenance)

Board approved 3-29-2023

		FY2024	FY2025	FY2026	3-Year CIP total
PRIORITY	PROJECT DESCRIPTION	Budget	Proposed	Proposed	Proposed
<b>Kitchen Equipment</b>					
3	Kitchen Stacker system with shelving equip warehouse	40,000			40,000
<b>Total Kitchen Equipment:</b>		<b>40,000</b>	<b>-</b>	<b>-</b>	<b>40,000</b>
<b>Plumbing</b>					
1	Thermostat mixing valves	280,000			280,000
<b>Total Plumbing Equipment:</b>		<b>280,000</b>	<b>-</b>	<b>-</b>	<b>280,000</b>
<b>Technology</b>					
2	CCTV Upgrade (front drive) - public safety	150,000			150,000
2	Workforce Management (Dimensions) UKG Pro Timekeeping, UKG Pro Accruals, Advance Scheduling, Leave & Attendance) **Expedite to FY24 if possible.		141,300		141,300
2	UKG Pro Employee Voice/UKG Pro Benefits Administration (surveys) **Expedite to FY24 if possible.		34,000		34,000
3	Server Replacement (phased fleet replacement)	60,000			60,000
3	Nimble Storage Appliance	163,000			163,000
3	Cyrun Report and Incident Software - public safety		160,000		160,000
3	Redundant Cooler for Rack System in server room			250,000	250,000
<b>Total Technology Investment</b>		<b>373,000</b>	<b>335,300</b>	<b>250,000</b>	<b>958,300</b>
<b>Public Safety</b>					
3	Public Safety System Upgrade - (Speakers, AMP, controls)		-	1,049,369	1,049,369
4	Walk thru metal detectors			100,000	100,000
<b>Total Public Safety</b>		<b>-</b>	<b>-</b>	<b>1,149,369</b>	<b>1,149,369</b>

### 3 Yr - O&M (Operating Capital & Maintenance)

Board approved 3-29-2023

		FY2024	FY2025	FY2026	3-Year CIP total
PRIORITY	PROJECT DESCRIPTION	Budget	Proposed	Proposed	Proposed
<b>Operating Equipment</b>					
1	Ascension Virtuoso 5460P Wheelchair lifts (2) \$37,000 each (ADA)	73,603			73,603
2	26/32 scissor lift	40,000			40,000
2	Karcher Chariot Large Expansive Vacuum Cleaners (2) 25,000 each	50,000			50,000
2	Triplex Lawnmower	50,000			50,000
2	Tennant Scrubber T20	64,200			64,200
2	40' Scissor Lift	80,000			80,000
2	Bobcat SkidSteer S590 with bucket, grapple bucket, excavator, stump grinder	95,000		-	95,000
3	Sweeper, Large ride on, Tennant S30	39,000			39,000
3	5 Electric Carts at \$16K each	82,175			82,175
3	40' Boom Lift: Replace			41,000	41,000
4	Yale Electric Forklift with Charger	44,000			44,000
4	Robotic Vacuum		55,000		55,000
<b>Total Operating Equipment</b>		<b>617,978</b>	<b>55,000</b>	<b>41,000</b>	<b>713,978</b>
<b>Total O&amp;M Needs</b>		<b>\$ 1,310,978</b>	<b>\$ 390,300</b>	<b>\$ 1,440,369</b>	<b>\$ 3,141,647</b>