SAN DIEGO CONVENTION CENTER CORPORATION BOARD OF DIRECTORS MEETING

WEDNESDAY, JUNE 26, 2024, NOON 111 W. Harbor Drive, 2nd Floor, Executive Boardroom San Diego, California 92101

AGENDA

Telephone number for members of the public to observe, listen, and address the meeting telephonically: 1(888) 251-2909 – Access code is 6724115#

1. <u>Call to Order</u> – Shawn VanDiver, Vice-Chair

2. Non-Agenda Public Comments

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board that are not on the posted agenda. Pursuant to the Brown Act, no discussion or action shall be taken by the Board on items not posted on the agenda.

3. Board Committee Reports and Board Action Items

Consent Agenda:

- A. Approval of Minutes of Board Meeting of April 24, 2024 and "Special" Board Meeting of May 22, 2024
- **B.** Approval to Set Additional Regular Board of Director Meetings in July and August of 2024 and Authorization for Process to Cancel Regular Board Meetings When Needed

4. <u>Closed Session</u>:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: 825 Energy Way, Chula Vista, CA 91911 Agency negotiator: (President & CEO/CFO/COO/General Counsel) Negotiating parties: Ecology Auto Parts, Inc. Under negotiation: Price and Terms of Payment

- 5. <u>Action Item(s)</u>:
 - A. Budget Committee (Will Rodriguez-Kennedy)
 - (1) Chief Financial Officer Update
 - (2) Authorization to Approve Revised FY 2025 Budget
 - (3) Authorization to Approve Contract for Temporary Labor

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B. Audit Committee (Alyssa Turowski)

- (1) Authorize to Accept Pension Audit
- C. Sales & Marketing Committee (Shawn VanDiver)
 - (1) Authorization to Approve San Diego Tourism Authority Program of Work
- **D.** Executive Committee (Jeff Gattas)
 - (1) Strategic Plan Update
- 6. <u>President's Report</u> (Rip Rippetoe)
- 7. <u>Chair's Report</u> (Jeff Gattas)
- 8. <u>Board Comment</u> [Govt. Code § 54954.2(a)(2)]
- 9. Urgent non-agenda items (must meet the requirements of Government Code, Section 54954.2)

Adjournment

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In compliance with Government Code section 54957.5, non-exempt written material that is distributed to the Board prior to the meeting will be available at the meeting or it may be viewed in advance of the meeting online at <u>visitsandiego.com</u>. Materials distributed to the board after the posting of this agenda also will be available. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com if you would like to receive a copy of any material related to an item on this agenda.

MINUTES* SAN DIEGO CONVENTION CENTER CORPORATION THE BOARD OF DIRECTORS

BOARD MEETING OF APRIL 24, 2024

BOARD MEMBERS PRESENT:	Chair Jeff Gattas and Directors Will Rodriguez-Kennedy, Shawn VanDiver, Sam Nejabat and Jaymie Bradford
BOARD MEMBER(S) ABSENT:	Directors Alyssa Turowski and Gretchen Newsom
STAFF PRESENT:	Rip Rippetoe, Corey Albright, Andy Mikschl, Maren Dougherty, Michael Milligan, Victoria Mitchell, and Pat Evans (Recorder)

ALSO PRESENT: Jennifer Lyon, General Counsel

*Meeting Minutes memorialize votes on "Action Items" and Staff Reports and are not a verbatim transcript of regular Board meetings. Audio copies of Board of Director meetings are available upon request. Please contact Pat Evans at (619)525-5131 or **pat.evans@visitsandiego.com to request a copy.**

1. Call to Order

Chair Jeff Gattas called the Board Meeting to order at 12:02 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101.

Chair Gattas then called roll to determine which Directors were present:

Director Gattas – Present Director VanDiver - Present Director Bradford – Present Director Rodriguez-Kennedy – Present Director Turowski – Absent Director Nejabat – Present Director Newsom - Absent

All Directors were recorded as present except Director Alyssa Turowski and Director Gretchen Newsom. Chair Gattas noted that all votes taken during this meeting would be recorded via roll call vote.

2. <u>Non-Agenda Public Comment</u> – Chair Gattas inquired if any member of the public wished to comment on any non-Agenda items. No members of the public responded to the request for comment.

3. <u>Board Committee Reports and Board Action Items</u>:

Consent Agenda:

A. Approval of Minutes of Board Meeting of March 27, 2024.

Chair Gattas inquired if any Director would like to pull a Consent Agenda item for discussion. Hearing no request to pull a Consent Agenda item, Chair Gattas then inquired if any member of the public wished to comment on Agenda Item (3.A). No members of the public responded to the request for comment.

After request for public comment and for Director discussion, Directors VanDiver and Nejabat moved and seconded, respectively, to approve the Consent Agenda as set forth hereinabove.

Director Gattas – Aye Director VanDiver – Aye Director Bradford – Absent for this vote Director Rodriguez-Kennedy – Aye Director Turowski – Absent Director Nejabat – Aye Director Newsom - Absent

Vote: Unanimous

AYES: 4

NAYS: 0

ABSTENTIONS: 0

Action Item(s):

B. Budget Committee (Will Rodriguez-Kennedy)

(1) Chief Financial Officer Update

CFO Mardeen Mattix was absent from this meeting and Controller Shannon Teem reported the following in Ms. Mattix's absence:

- Ms. Teem reported that the Corporation has had one of its strongest months this year.
- Year to date, through March, the Corporation's revenues surpassed budget by approximately \$1.5 million and this success was mainly attributable to a few significant medical shows that really exceeded expectations.
- \$973,000 of the surplus occurred in the month of March and that was despite having a cancelled technology event during the month of March.

- The Center hosted five city-wide events and they all had favorable variances mainly due to higher-than-expected ancillary revenues, event services and utility commissions.
- Most expense categories are trailing budget with the exception of personnel and utilities. The personnel line item is slightly above budget year-to-date.
- General expenses are trailing budget by approximately \$927,000 mainly due to supply chain demands and the Corporation is starting to manage expenditures with the mindset of potential City funding cuts next year.
- Repairs and maintenance are also trailing budget by approximately \$2.1 million year-to-date. That is caused by general building repairs taking longer than expected, increased event activity, scheduling delays and some projects require further planning and are being deferred.
- Electrical utilities are under budget this month, but the year-to-date overage is declining because staff has seen a favorable trend the last few months with utilities. If that trend continues, we will end up closer to budget rather than the overages we have experienced in the past. Staff believes we may have an opportunity to improve the manner in which the monthly spread is completed within the budget so staff will be reviewing that matter more closely.
- Non-operating revenue continues to outperform budget with interest and investment income and that is mainly due to the higher cash reserves that the Corporation has had.
- The Corporation budgeted for an overall year-to-date net operating loss of \$3.3 million but the actual year-to-date has a net operating income of \$932,000 so the Corporation is seeing a favorable variance to budget of \$4.26 million.
- The Corporation continues to meet its required debt service payments and have spent \$4.1 million year-to-date from the Corporation's reserve fund on capital assets.
- The Corporation is expecting some planned FY2024 capital asset expenditures to roll into FY2025 due to extended lead times.
- As of March, the unrestricted reserves balance remains at approximately \$27.8 million so the Corporation is finishing March in a very strong position.

Chair Gattas inquired if any member of the public wished to comment on Agenda Item (3.B.1). No members of the public responded to the request for comment.

Chair Gattas noted this item requires no vote since it is an informational item.

(2) Authorization to Approve Placement of Property and Casualty Insurance through the Brokerage Services of Marsh & McClennan, LLC.

Chair Gattas called for a staff report regarding this item. Michael Milligan, H.R. Executive Director, presented this staff report in Ms. Mattix's absence. After staff submitted its report, Chair Gattas inquired if any member of the public wished to comment on Agenda Item (3.B.2). No members of the public responded to the request for comment.

After presentations by Staff, Directors Rodriguez-Kennedy and VanDiver moved and seconded, respectively, to Approve Placement of Property and Casualty Insurance through the Brokerage Services of Marsh & McClennan, LLC at a cost of \$1,616,846.

Director Gattas – Aye Director VanDiver – Aye Director Bradford – Aye Director Rodriguez-Kennedy – Aye Director Turowski – Absent Director Nejabat – Aye Director Newsom - Absent

Vote: Unanimous

AYES: 5 NAYS: 0 ABSTEN

ABSTENTIONS: 0

C. Sales & Marketing Committee (Shawn VanDiver)

Director VanDiver reported the Sales & Marketing Committee met this month and they reviewed the long- and short-term sales updates and discussed the status of the SDTA Program of Work. Things are going well between the entities.

Andy Mikschl, Executive VP-Sales, provided the following short-term sales update:

- The short-term sales team booked six events in March, and they are still adhering to the sales strategy of focusing on events that are going to drive significant revenues and room nights.
- The Festival of Biologics just rebooked a future event after recently holding an event at the Center. This was a great first-time event which staff is attempting to renew on a regular rotation basis.
- Advanced Therapies Week is a new event for February of 2026. This event will focus on gene therapies, and it is also a first-time event for San Diego. This event is based in the United Kingdom.
- The booking of these two events is a part of the sales team's strategy to find relatively smaller events that can be "grown" and turned into annual events that will eventually create a larger impact.
- The short-term team is on track to reach its annual budget goals.
- The Live Well Event, brokered through the County of San Diego, is also returning to the Center later this year for its third consecutive year. This is an event which drives local community attendance into the building.

Mr. Mikschl provided the following report on behalf of SDTA:

- The SDTA team booked three significant events this month. Two years of a "confidential" medical event were booked. This event has been in San Diego before, but they do not wish to divulge the booking at this time.
- Over 275,00 room nights will be generated by those two events.
- The American Academy of Orthopedic Surgeons just rebooked with the Center for 2028. This is a very impactful event to book less than four years out and the event

should generate close to 60,000 room nights. This event was booked at another location and requested dates in San Diego. The local team collaborated with current clients to move events around and secure this very significant event. This event will also be in San Diego in 2025.

- Closing those three events enabled SDTA to reach their annual room night goal.
- There are many more events in the "funnel" that should generate great future bookings.
- The events that have been booked have been doing exceptionally well. The Dermatology event had record attendance and the Association for Cancer Research also achieved record attendance (over 23,000 attendees). Cancer Research will return to San Diego in 2026.
- The event that is in the process of moving in, Tableau Sales Force, is a first-time event that is also doing very well. Food and beverage and other ancillaries are exceeding expectations.
- The "Program of Work" is in its final revision stages and will be presented at the June Sales Committee meeting and June Board meeting. This document is the roadmap for future sales goals and functions in FY 2025.

After staff submitted its reports, Chair Gattas inquired if any member of the public wished to comment on Agenda Item (3.C). No members of the public responded to the request for comment. No vote was required on this item as it is a Sales & Marketing Committee update.

4. <u>President's Report</u> (Rip Rippetoe)

- Mr. Rippetoe commented on the amount of "truss" work associated with the Tableau event and the impact that amount of truss work has on revenues.
- Smart City Networks has enhanced the Corporation's "6G" capabilities for WIFI which places the Center technologically ahead of many venues.
- A peaceful demonstration occurred at the Exponential show on Monday. The demonstration had no impact on the event and our in-house security team did a great job overseeing the activity.
- Staff is preparing to present the SDCCC budget to the full City Council on May 7, 2024, during the afternoon session. Staff has held individual meetings with Council staff in advance of the meeting with full Council.
- The Center will be celebrating its 35th anniversary later this year (November). Staff will keep the Board updated on related activities.

5. <u>Chair's Report</u> (Jeff Gattas)

- Chair Gattas reported that the SDCCC team will have met with every Council office and the Mayor's Office prior to budget presentation to the full Council on May 7th. Staff is reminding the City about the importance of the Convention Center as it relates to revenue and as it relates to keeping up with our CIP.
- The Council offices have been fairly receptive to the message that staff is delivering; however, there have been no formal commitments of support.
- Chair Gattas, Budget Chair Rodriguez-Kennedy and staff will continue to advocate and meet with the rest of City offices, and they will keep everyone posted if additional support is needed from Directors.
- The next Board meeting is tentatively scheduled for June 26, 2024, at Noon.

- Director Rodriguez-Kennedy commended staff for putting together the presentation for Council and also for helping to frame the reality of the Corporation's current financial situation and the disproportionate impact budget cuts will have on the Center. Director Rodriguez-Kennedy also commended Chair Gattas for his effectiveness as a "closer" at the Council presentations.
- Director Gattas noted that given the current climate vis-à-vis public protests, staff should be a little more vigilant with regards to who our guests are in the building over the coming months. The goal is to maintain a safe environment for our guests and visitors. Mr. Rippetoe discussed some of the measures staff take to ensure safety of guests.

After Chair Gattas submitted his report, he inquired if any member of the public wished to comment on Agenda Item (5). No members of the public responded to the request for comment.

- 6. <u>Board Comment</u> [Govt. Code § 54954.2(a) (2)] Director Rodriguez-Kennedy commented on a pending union measure to increase the minimum wage salaries of hospitality workers to \$25 per hour. Director Rodriguez-Kennedy would like to hold future discussions regarding the impact that initiative may have on the Center should it pass City Council.
- 7. <u>Urgent non-agenda items</u> (must meet the requirements of Government Code, Section 54954.2): None

There being no further business, the meeting adjourned at 12:39 p.m.

I, Alyssa Turowski, Secretary of the Board of Directors of the San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the business transacted by the Board of Directors of the San Diego Convention Center Corporation, Inc., at a duly noticed meeting held on April 24, 2024, and that said minutes were approved by the Board of Directors on June 26, 2024, 2024.

Alyssa Turowski, Secretary

MINUTES* SAN DIEGO CONVENTION CENTER CORPORATION "SPECIAL" BOARD OF DIRECTORS

BOARD MEETING MAY 22, 2024

BOARD MEMBERS PRESENT:	Chair Jeff Gattas and Directors Will Rodriguez-Kennedy, Shawn VanDiver, Alyssa Turowski, Sam Nejabat, and Gretchen Newsom
BOARD MEMBER(S) ABSENT:	Director Jaymie Bradford
STAFF PRESENT:	Rip Rippetoe, Mardeen Mattix, Corey Albright, Andy Mikschl, Maren Dougherty, Michael Milligan, Victoria Mitchell, and Pat Evans (Recorder)

ALSO PRESENT: Jennifer Lyon, General Counsel

*Meeting Minutes memorialize votes on "Action Items" and Staff Reports and are not a verbatim transcript of regular Board meetings. Audio copies of Board of Director meetings are available upon request. Please contact Pat Evans at (619)525-5131 or **pat.evans@visitsandiego.com to request a copy.**

1. Call to Order

Chair Jeff Gattas called the Board Meeting to order at 12:30 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101.

Chair Gattas then called roll to determine which Directors were present:

Director Gattas – Present Director VanDiver - Present Director Bradford – Absent Director Rodriguez-Kennedy – Present Director Turowski – Present Director Nejabat – Present Director Newsom - Present

All Directors were recorded as present except Director Jaymie Bradford. Chair Gattas noted that all votes taken during this meeting would be recorded via roll call vote.

2. <u>Non-Agenda Public Comment</u> – Chair Gattas inquired if any member of the public wished to comment on any non-Agenda items.

Ms. Martha Sullivan submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (2), and she was granted an opportunity to address her comments to the Board. Ms. Sullivan followed-up on her question posed last year regarding whether the Corporation is doing anything with excess food generated at the Convention Center to aid the City's homeless residents staying in shelters and camps.

Ms. Lori Saldaňa submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (2), and she was granted an opportunity to address her comments to the Board regarding whether the Corporation has taken advantage of the City's in-house engineering firm expertise to assist with assessing pending Convention Center capital projects as components of the projects relate to the City's Climate Action Plan.

3. <u>Board Committee Reports and Board Action Items</u>:

A. Authorization to Ratify Contract Change Orders and to Approve Additional Change Order for West Kitchen

After presentation by staff, Chair Gattas inquired if any member of the public wished to comment on Agenda Item (3.A).

Ms. Martha Sullivan submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (3.A), and she was granted an opportunity to address her comments to the Board regarding her concerns about the substantial increase in the cost of the kitchen project from its original Board approved cost.

Ms. Lori Saldaňa submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (3.A), and she was granted an opportunity to address her comments to the Board regarding her concerns over the increased costs of the kitchen project and she reiterated her assertion the Convention Center should be attempting to comply with the framework of the City's Climate Action Plan with regard to replacement of the kitchen's appliances and components. Ms. Saldaňa also commented the on the Workforce Plan provided for the project and she questioned future plans to improve diversity by this company.

After presentations by Staff, and public comment, Directors Rodriguez-Kennedy and VanDiver moved and seconded, respectively, to Authorize Ratification of Second, Third and Constructive Change Orders that Exceed the Original Contract Amount and Contingency by \$277,394.

Director Gattas – Aye Director VanDiver – Aye Director Bradford – Absent Director Rodriguez-Kennedy – Aye Director Turowski – Aye Director Nejabat – Aye Director Newsom - Aye Vote: Unanimous

AYES: 6 NAYS: 0 ABSTENTIONS: 0

Directors Rodriguez-Kennedy and VanDiver moved and seconded, respectively, to Amend Staff's Recommendation to Authorize Approval of the Change Order with Costa Azul in the amount of \$2,397,713 with a reduced contingency of \$150,000 on the condition that the Change Order will not be executed unless subcontractor(s) provide work force reports and the prime contractor declares its subcontractors are mechanical and electrical companies.

Director Gattas – Aye Director VanDiver – Aye Director Bradford – Absent Director Rodriguez-Kennedy – Aye Director Turowski – Aye Director Nejabat – Aye Director Newsom - Aye

Vote: Unanimous

AYES: 6

NAYS: 0

ABSTENTIONS: 0

Directors Rodriguez-Kennedy and VanDiver moved and seconded, respectively, to Authorize Ratification of Contract Change Orders and to Approve Additional Change Order for West Kitchen with the Amendment Approved by the Board to approve the amount of \$2,397,713 with a reduced contingency of \$150,000 on the condition that the Change Order will not be executed unless subcontractor(s) provide work force reports and the prime contractor declares its subcontractors are mechanical and electrical companies

Director Gattas – Aye Director VanDiver – Aye Director Bradford – Absent Director Rodriguez-Kennedy – Aye Director Turowski – Aye Director Nejabat – Aye Director Newsom - Aye

Vote: Unanimous

AYES: 6

NAYS: 0

ABSTENTIONS: 0

Chair Gattas excused himself from the meeting at 1:30 p.m. and the meeting continued under the guidance of Vice-Chair VanDiver.

B. Authorization to Approve Aramark Contract for Temporary Staffing

After presentation by staff, Vice-Chair VanDiver inquired if any member of the public wished to comment on Agenda Item (3.B).

Ms. Lori Saldaňa submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (3.B), and she was granted an opportunity to address her comments to the Board regarding whether a work force report would be submitted regarding the diversity make-up of the staffing provided by Aramark.

After presentations by Staff, and public comment, Directors Newsom and Turowski moved and seconded, respectively, to Authorize Approval of the Aramack Contract for Temporary Staffing in a not-to-exceed value of \$144,000.

Director Gattas – Absent Director VanDiver – Aye Director Bradford – Absent Director Rodriguez-Kennedy – Aye Director Turowski – Aye Director Nejabat – Aye Director Newsom - Aye

Vote: Unanimous

AYES: 5

NAYS: 0

ABSTENTIONS: 0

- 4. <u>Board Comment</u> [Govt. Code § 54954.2(a) (2)] None
- 5. <u>Urgent non-agenda items</u> (must meet the requirements of Government Code, Section 54954.2): None
- 6. <u>Closed Session</u>: The Board entered into closed session at 1:35 p.m. to discuss the items set forth below.
 - A. CONFERENCE WITH LEGAL COUNSEL---ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) with facts and circumstances pursuant to 54956.9(e)(2) Cancellation/Rescheduling of Future Events (1 case)
 - B. CONFERENCE WITH LEGAL COUNSEL---EXISTING LITIGATION Pursuant to Government Code section 54956.9(d)(1) (1 case) Case No. 37-2020-00008111-CU-WT-CTL
 - C. EMPLOYEE PERFORMANCE EVALUATION Government Code Section 54957 Title: President & CEO

The Board returned to open session at 2:32 p.m.

Reporting out of closed session, General Counsel Lyon stated that the Board discussed items "6.A," "6.B" and "6.C" and direction was given but no reportable action was taken. General Counsel Lyon also stated that Director Nejabat left the meeting at 2:15 p.m.

There being no further business, the meeting adjourned at 2:32 p.m.

I, Alyssa Turowski, Secretary of the Board of Directors of the San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the business transacted by the Board of Directors of the San Diego Convention Center Corporation, Inc., at a duly noticed meeting held on May 22, 2024, and that said minutes were approved by the Board of Directors on June 26, 2024.

Alyssa Turowski, Secretary

Agenda Item 3.B

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO:	Board of Directors
FROM:	Jeff Gattas, Board Chair
DATE:	For the Agenda of June 26, 2024
RE:	Approval to Set Additional Regular Board of Director Meetings in July and August of 2024 and Authorization for Process to Cancel Regular Board Meetings When Needed

DISCUSSION

The Board of Directors currently has regular meetings set for the following dates in 2024:

August 28, 2024 at noon September 25, 2024 at noon October 30, 2024 at noon December 11, 2024 at noon

There is a need to set a few additional regular Board meetings to allow the Corporation to conduct its business. Pursuant to State law and the Corporation's Bylaws, the Board may fix the dates for its regular meetings. There is a need to hold a regular Board meeting on July 9, July 24 and August 14, 2024. When regular meetings are not needed to conduct Corporation business or no quorum is available, the Board Chair may cancel such previously scheduled regular meetings in consultation with the Board Administrator.

RECOMMENDATION

That the Board: (1) approve the setting of regular Board meetings for July 9, 2024, at Noon, July 24, 2024, at 9:00 am and August 14, 2024, at noon; and (2) authorize the Board Chair to cancel regular meetings in consultation with the Board Administrator when not needed to conduct Corporation business.

CFO Report to Board of Directors For the month ending May 31, 2024 (As of June 21, 2024)

Financial Performance:

<u>Revenue:</u> Through May 2024, revenues surpassed budgetary expectations, maintaining due to a few extraordinary medical shows surpassing expectations, yielding a \$2.5M surplus YTD. During May, we hosted four Citywide events with favorable variances primarily attributed to higher than anticipated ancillary revenues, mainly in event services and utility commissions. We also hosted three smaller short-term events in May.

Expenses: Most expense categories are currently below budget projections, except utilities, which are anticipated to exceed budget by approximately \$400,000 by year-end. It is expected that all other categories will remain within their budgetary limits for the remainder of the year. Many categories will continue to lag behind budget expectations due to deliberate spending deferrals in anticipation of cuts in City funding for the upcoming fiscal year.

Non-operating revenue: Interest and investment income, has exceeded the budget by \$1.1M. This favorable variance can be attributed to heightened returns resulting from increased interest rates, compounded by a cash reserve that surpassed initial projections at the time of budgeting. Additionally, there is a capital contribution for telecom enhancements contributed by SmartCity that was unanticipated.

SDCC uses a comprehensive strategy to oversee its business operations, monitoring debt and lease payments, with a focus on capital renewal investments through reserve activity tracking. Based on the revised budgetary outlook, the unrestricted reserve balance is forecasted to end the year at \$23.3M.

The Corporation is still finalizing the May 2024 financial statements so no reports are provided at this time.

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO:	Board of Directors
FROM:	Will Rodriguez-Kennedy, Budget Chair
DATE:	For the Agenda of June 26, 2024
RE:	Authorization to Approve Revised Fiscal Year 2025 Budget

BACKGROUND

The San Diego Convention Center Corporation's FY2025 budget was officially adopted on March 27, 2024. However, shortly after approval, City staff informed the corporation of adjustments to its funding allocation for FY25, as outlined in the Mayor's Budgetary draft proposal. Specifically, the initially requested \$4.0 million in operational funding was reduced to \$2,816,600. This reduction was primarily allocated as a direct pass-through to support marketing contract obligations for SDTA.

The City did, however, reinstate \$456,000 of the original request to reimburse the corporation for costs associated with stormwater infrastructure investments. Additionally, the City committed to reviewing future planned capital projects, with the possibility of funding qualifying items through debt issuance after further assessment. As of now, pending a sales tax measure increase scheduled for the November elections, no further funding has been allocated. It is anticipated that if the measure passes, the City will provide support for some of the deferred items outlined below.

DISCUSSION

In recent months, significant changes have occurred in both the FY24 budgetary forecast and planned FY25 activity. Recognizing the rapid depletion of the FY26 reserve balance coupled with the substantial \$10 million funding request for FY26, the corporation opted for a conservative approach, scaling back spending until the results of the sales tax measure are known. Based on updated event activity and projections for future contracts, the estimated beginning reserve balance for FY2025 stands at \$23,397,347. A detailed breakdown of these changes is provided on the following page.

STAFF RECOMMENDATION

The Board approve the revised FY2025 Operating Budget.

San Diego Convention Center Corporation

FY2025 Changes Corporate Summary

CHANGE IN NET POSITION \$2,023,411 -\$6,282,314 \$538,832 OPERATING RESERVE ACTIVITY Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months Beginning Operating Reserve: + Change in Net Position + Change in Net Position + Depreciation & Amortization (No Reserve Impact) - Principal Payments: IBank Loan & Leases - Capital Investments \$0 \$2,243,112 -\$4,698,227 538,832 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. Principal Payments: IBank Loan & Leases 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.					
OPERATING REVENUES S288.090 \$6,100 \$50 FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. Visities 193.389 -3.517 FV24 - Updated Jan - Apr Actuals. Visities 193.389 -3.517 FV24 - Updated Jan - Apr Actuals. Visities 193.389 -3.517 FV24 - Updated Jan - Apr Actuals. Other Avoids Vauid 225.682 FV24 - Updated Jan - Apr Actuals. Other Avoids Vauid 225.682 FV24 - Updated Jan - Apr Actuals. Other Avoids Vauid 225.682 -513.00 FV24 - Updated Jan - Apr Actuals. Other Avoids Vauid 225.682 -513.00 FV24 - Updated Jan - Apr Actuals. Other Avoids Vauid 225.682 -122.6678 -Apr Actuals. Other Avoids Vauid -550.00 557.000 FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals. Operating Expenses -518.00.00 550.00 FV24 - Updated Jan - Apr Actuals. FV24 - Updated Jan - Apr Actuals.		FY24	FY25	FY26	
Building Rent S288.000 S5.100 S9 FY24 - Updated Jan - Apr Actualis. Food 3 Bervarge 130.000 120.000 122.000 FY24 - Updated Jan - Apr Actualis. FY26 - Contracted for more. Event Services 383.83 21.810 FY24 - Updated Jan - Apr Actuals. FY252.000 reduced. FY25 Contracted for more. Event Services 138.85 21.810 FY24 - Updated Jan - Apr Actuals. FY252.000 reduced. FY25 Contracted for more. Audio 3 Vauid 22.588 -26.513 0 FY24 - Updated Jan - Apr Actuals. Other Ancliaries 11.30 0 FY24 - Updated Jan - Apr Actuals. Other Ancliaries 17.113 0 0 FY24 - Updated Jan - Apr Actuals. Other Ancliaries 17.113 0 0 FY24 - Updated Jan - Apr Actuals. Other Ancliaries 17.113 0 0 FY24 - Updated Jan - Apr Actuals. Other Ancliaries All Sames All Vasas Full Time 513.85 550.000 575.00 FY25 & FY26 - Increase for trades negotations/sales analyst Salaries All Vasas Full Time 513.85 550.00 575.00 FY25 & FY26 - Increase for trades negot		Difference	Difference	Difference	NOTES
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Non-Operating Revenues -600,371 -2,965,909 1,015,909 1,015,909 1,015,909 Interest Income reduced (lower cash levels and int rates). FY25: Sodexo extension to yield \$2M over 22 mo instead of \$4M in FY2 CHANGE IN NET POSITION \$2,023,411 -\$6,282,314 \$538,832 OPERATING RESERVE ACTIVITY Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months F Change in Net Position 2,023,411 -\$6,282,314 \$538,832 Perpeciation & Amortization (No Reserve Impact) 0 0 0 0 OPERATING Reserve: \$0 \$2,023,411 -\$6,282,314 \$538,832 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. Principal Payments: IBank Loan & Leases 0 0 0 0 0 0 0 FY25: phasing projects longer which impacted FY26. Add a couple projects.	NET OPERATING INCOME / JLOSS	\$2 623 782	-\$3,316,405	-\$477.077	
CHANGE IN NET POSITION \$2,023,411 -\$6,282,314 \$538,832 OPERATING RESERVE ACTIVITY Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months Beginning Operating Reserve: + Change in Net Position + Change in Net Position + Depreciation & Amortization (No Reserve Impact) - Principal Payments: IBank Loan & Leases - Capital Investments \$0 \$2,243,112 - \$4,698,227 338,832 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. Principal Payments: IBank Loan & Leases 219,701 0 0 0 FY25: phasing projects longer which impacted FY26. Add a couple projects.		02,020,702			
CHANGE IN NET POSITION \$2,023,411 -\$6,282,314 \$538,832 OPERATING RESERVE ACTIVITY Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months Beginning Operating Reserve: + Change in Net Position + Change in Net Position + Depreciation & Amortization (No Reserve Impact) - Principal Payments: IBank Loan & Leases - Capital Investments \$0 \$2,243,112 - \$4,698,227 338,832 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. Principal Payments: IBank Loan & Leases 219,701 0 0 0 FY25: phasing projects longer which impacted FY26. Add a couple projects.	Non-Operating Revenues	-600.371	-2.965.909	1.015.909	Interest Income reduced (lower cash levels and int rates), FY25: Sodexo extension to vield \$2M over 22 mo instead of \$4M in FY2
OPERATING RESERVE ACTIVITY Beginning Operating Reserve: \$0 \$2,243,112 -\$4,698,227 + Change in Net Position 2,023,411 -6,282,314 538,832 + Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: IBank Loan & Leases 0 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.			_,,	.,,	
Beginning Operating Reserve: \$0 \$2,243,112 -\$4,698,227 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months + Change in Net Position 2,023,411 -6,282,314 538,832 FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. + Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: Bank Loan & Leases 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	CHANGE IN NET POSITION	\$2,023,411	-\$6,282,314	\$538,832	
Beginning Operating Reserve: \$0 \$2,243,112 -\$4,698,227 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months + Change in Net Position 2,023,411 -6,282,314 538,832 FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. + Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: Bank Loan & Leases 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.					
Beginning Operating Reserve: \$0 \$2,243,112 -\$4,698,227 Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months + Change in Net Position 2,023,411 -6,282,314 538,832 FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. + Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: IBank Loan & Leases 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	OPERATING DESERVE ACTIVITY				
+ Change in Net Position 2,023,411 -6,282,314 538,832 FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs. + Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: IBank Loan & Leases 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	OF LIVETING RESERVE ACTIVITY				
+ Depreciation & Amortization (No Reserve Impact) 0 0 0 - Principal Payments: IBank Loan & Leases 0 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	Beginning Operating Reserve:	\$0	\$2,243,112	-\$4,698,227	Reduced due to \$4M Sodexo extension not materializing as lumpsum but amortizing as \$2M over 22 months
- Principal Payments: IBank Loan & Leases 0 0 0 0 - Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	+ Change in Net Position	2,023,411	-6,282,314	538,832	FY24 performance is ending strong. FY25 decrease: lost F&B sales and contract extensions, increased personnel costs.
- Capital Investments 219,701 -659,025 900,000 FY25: phasing projects longer which impacted FY26. Add a couple projects.	+ Depreciation & Amortization (No Reserve Impact)	0	0	0	
	- Principal Payments: IBank Loan & Leases	0	0	0	
	- Capital Investments	219,701	-659,025	900,000	FY25: phasing projects longer which impacted FY26. Add a couple projects.
Ending Reserve balance: 2,243,112 -4,698,227 -3,259,395	Ending Reserve Balance:	2,243,112	-4,698,227	-3,259,395	

San Diego Convention Center Corporation

Jun 06, 2024

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FY2025 Board Approved Budget 03/27/24 - Revised 06/06/24 Corporate Summary

						FY24 Forecast		FY25 Budget		FY26 Projection	
	FY2023	FY2024	FY2024	FY2025	FY2026	Board Approved	Difference	Board Approved	Difference	Board Approved	D:#
	ACTUALS	BUDGET	FORECAST	BUDGET	PROJECTION	Version 03/27	Difference	Version 03/27	Difference	Version 03/27	Difference
OPERATING REVENUES											
Building Rent	\$9,936,614	\$9,624,410	\$8,564,220	\$8,849,187	\$9,615,495	\$8,276,130	\$288,090	\$8,843,087	\$6,100	\$9,615,495	\$0
Food & Beverage	12,782,573	14,834,860	14,152,347	17,943,514	15,836,810	14,344,446	-192,099	19,173,164	-1,229,650	15,118,430	718,380
Event Services	4,306,092	4,321,960	5,683,130	5,230,729	5,401,821	5,319,295	363,835	5,252,539	-21,810	5,401,821	0
Utilities	6,510,726	6,599,980	8,624,075	7,410,910	7,742,984	6,955,568	1,668,507	7,303,320	107,590	7,234,389	508,595
Telecommunications	5,816,188	5,454,420	6,117,160	5,785,568	5,835,328	5,923,801	193,359	5,820,085	-34,517	5,835,328	0
Audio & Visual	1,979,377	1,440,340	1,673,700	1,897,830	1,690,500	1,448,008	225,692	1,926,343	-28,513	1,690,500	0
Other Ancillaries	693,552	1,043,400	693,631	706,250	715,000	632,241	61,390	713,250	-7,000	715,000	0
Other Revenues	4,599	7,500	20,863	3,000	3,000	3,750	17,113	3,000	0	3,000	0
TOTAL OPERATING REVENUES	\$42,029,720	\$43,326,870	\$45,529,125	\$47,826,988	\$46,840,938	\$42,903,239	\$2,625,886	\$49,034,788	-\$1,207,800	\$45,613,963	\$1,226,975
OPERATING INFLOWS											
City of San Diego - Funding	\$0	\$5,000,000	\$5,000,000	\$456,000	\$10,000,000	\$5,000,000	\$0	\$1,183,310	-\$727,310	\$10,000,000	\$0
City of San Diego - Marketing (SDTA)	2,655,000	2,734,650	2,734,650	2,816,690	2,901,191	2,734,650	0	2,816,690	0	2,901,191	0
TOTAL OPERATING INFLOWS	\$2,655,000	\$7,734,650	\$7,734,650	\$3,272,690	\$12,901,191	\$7,734,650	\$0	\$4,000,000	-\$727,310	\$12,901,191	\$0
TOTAL REVENUES AND INFLOWS	\$44,684,720	\$51,061,520	\$53,263,775	\$51,099,678	\$59,742,129	\$50,637,889	\$2,625,886	\$53,034,788	-\$1,935,110	\$58,515,154	\$1,226,975
OPERATING EXPENSES											
Salaries & Wages - Full Time	\$15,575,085	\$18,197,198	\$18,521,175	\$21,211,564	\$22,065,027	\$18,657,533	-\$136,358	\$20,711,564	\$500,000	\$21,540,027	\$525,000
Salaries & Wages - Part Time	4,799,455	5,570,308	5,854,000	5,850,833	6,088,367	5,794,000	60,000	5,500,833	350,000	5,720,867	367,500
Fringe Benefits	4,898,000	6,565,611	6,466,663	7,176,191	7,464,455	6,402,463	64,200	6,730,191	446,000	6,999,405	465,050
TOTAL PERSONNEL EXPENSES	\$25,272,541	\$30,333,117	\$30,841,838	\$34,238,588	\$35,617,849	\$30,853,996	-\$12,158	\$32,942,588	\$1,296,000	\$34,260,299	\$1,357,550
General Expenses	\$1,927,977	\$2,556,983	\$1,728,728	\$2,471,027	\$2,369,583	\$1,498,966	\$229,762	\$2,394,427	\$76,600	\$2,414,153	-\$44,570
Repair & Maintenance	3,818,474	6,084,882	4,624,760	5,582,301	5,961,417	4,679,760	-55,000	6,157,301	-575,000	5,965,167	-3,750
Utilities	5,934,973	5,955,000	6,455,000	7,155,000	7,512,750	6,455,000	0	7,155,000	0	7,512,750	0
Contracted Services	781,331	718,840	860,403	1,400,760	1,451,421	950,903	-90,500	1,115,560	285,200	1,170,020	281,401
Travel & Transportation	67,883	103,535	99,188	97,925	102,824	99,188	0	119,430	-21,505	125,403	-22,579
Insurance	623,837	763,000	781,646	1,011,286	1,061,850	751,646	30,000	991,286	20,000	1,040,850	21,000
Telecommunications	46,919	92,100	74,850	83,100	87,255	74,850	0	83,100	0	87,255	0
Sales & Marketing	2,697,888	2,784,440	2,768,708	2,876,545	2,964,039	2,768,708	0	2,876,545	0	2,964,039	0
Supplies	640,351	689,350	713,199	1,032,605	884,237	813,199	-100,000	732,605	300,000	769,237	115,000
TOTAL SUPPLIES & SERVICES	\$16,539,632	\$19,748,130	\$18,106,482	\$21,710,549	\$22,395,376	\$18,092,220	\$14,262	\$21,625,254	\$85,295	\$22,048,874	\$346,502
TOTAL DEPRECIATION & AMORTIZATION	\$2,921,622	\$3,194,806	\$3,385,036	\$3,573,484	\$3,909,658	\$3,385,036	\$0	\$3,573,484	\$0	\$3,909,658	\$0
TOTAL OPERATING EXPENSES	\$44,733,795	\$53,276,052	\$52,333,356	\$59,522,621	\$61,922,883	\$52,331,252	\$2,104	\$58,141,326	\$1,381,295	\$60,218,831	\$1,704,052
NET OPERATING INCOME / -LOSS	-\$49,075	-\$2,214,532	\$930,419	-\$8,422,943	-\$2,180,754	-\$1,693,364	\$2,623,782	-\$5,106,538	-\$3,316,405	-\$1,703,677	-\$477,077
Non-Operating Revenues	852,781	312,100	1,153,729	2,138,191	1,670,009	1,754,100	-600,371	5,104,100	-2,965,909	654,100	1,015,909
Non-Operating Revenues Non-Operating Expenses	852,781	312,100 841,724	909,540	2,138,191 834,036	772,769	909,540	-000,371	5,104,100 834,036	-2,905,909	772,769	1,015,909
NOT-Operating Expenses	-\$45,938	-\$529,624	\$244,189	\$1,304,155	\$897,240	\$844,560	-\$600,371	\$4,270,064	-\$2,965,909	-\$118,669	\$1,015,909
NET NON-OFERATING REVENUES/EXPENSES	-940,900	-9329,024	φ244,109	\$1,304,133	φ097,240	\$044,500	-\$000,371	\$4,270,004	-\$2,903,909	-\$110,009	\$1,015,909
CHANGE IN NET POSITION	-\$95,013	-\$2,744,156	\$1,174,608	-\$7,118,788	-\$1,283,514	-\$848,804	\$2,023,411	-\$836,474	-\$6,282,314	-\$1,822,346	\$538,832
OPERATING RESERVE ACTIVITY											
Beginning Operating Reserve:	\$29.334.619	\$24,938,976	\$29,162,991	\$23,397,347	\$9,607,085	\$29,162,991	\$0	\$21.154.234	\$2.243.112	\$14,305,311	-\$4.698.227
+ Change in Net Position	-95,013	-2,744,156	1,174,608	-7,118,788	-1,283,514	-848,804	2,023,411	-836,474	-6,282,314	-1,822,346	-\$4,098,227
+ Depreciation & Amortization (No Reserve Impact)	2,921,622	-2,744,156 3,194,806	3,385,036	3,573,484	3,909,658	-646,804 3,385,036	2,023,411	3,573,484	-0,202,314	3,909,658	030,032
- Principal Payments: IBank Loan & Leases	-941,023	-842,880	-1,384,843	-1,467,880	-1,354,486	-1,384,843	0	-1,467,880	0	-1,354,486	0
- Capital Investments	-2.057.214	-042,000 -13,270,978	-1,364,643	-1,467,880	-6.943.960	-1,364,643	219,701	-1,467,660 -8,118,053	-659,025	-7,843,960	900,000
Ending Reserve Balance:	29,162,991	11,275,768	23,397,347	9,607,085	3,934,783	21,154,234	2,243,112	14,305,311	-4,698,227	7,194,177	-3,259,395
Linding Reserve Datalice:	23,102,391	11,2/3,/08	23,397,347	3,00 <i>1</i> ,085	3,934,763	21,104,234	2,243,112	14,303,311	-4,090,227	7,194,177	-3,239,395
MRM - Recommended Target Balance (25%)			9,351,599	10,544,485	11,115,175	9,351,599	0	10,544,485	0	11,115,175	0
Target Balance (14%)			5,236,895	5,904,911	6,224,498	5,236,895	0	5,904,911	0	6,224,498	0
Minimum Balance (8%)			2,992,512	3,374,235	3,556,856	2,992,512	0	3,374,235	0	3,556,856	0

3-Year Capital Outlook Detail (Capital Infrastructure Projects)

					FY2024	51/000 /	EVAL OF	EVODO	EVODOD	EVOLO	FY25-FY27 CIP
						FY2024 Forecast	FY25 Carryover FY24 Commit	FY2025 Budget	FY2026 Projection	FY2027 Projection	Total Budget
Priority	Budget ID	Owner	Asset Life	CIP Project Descriptions	Budget	FOIECaSt	F124 Commu	Buuget	Projection	Fiojection	i otai Buuget
1	of Planning and Desi 24-17630-ROOF-01	VM	LEASEHOLD (25)	Pacef (Engineering/Design/Construction)	400,000		200.000	723,083	4,724,960		5,748,043
2	24-17630-PROSHP-02	VM	LEASEHOLD (25)	Roof (Engineering/Design/Construction) Renovate West Pro Shop (assumes plumbing issues with healthy contingency)	400,000 500,000		300,000	723,083	4,724,960		5,748,043
3	24-17630-SOLAR-03	VM	LEASEHOLD (30)	Solar	1,000,000			250,000	13,331,682		- 13,581,682
2	25-17630-ROOF-02	VM	LEASEHOLD (23)	Sourie West Roof	1,000,000			100,000	13,331,002		100,000
2	23-17030-ROOF-02	VIVI	LEASEHOLD (23)	Total CIP Project:	1,900,000		300,000	1,073,083	18,056,642		19,429,725
Fire/Life/	Safaty				1,500,000		000,000	1,010,000	10,000,042		13,423,720
1	24-17615-FIRPMP-02	VM	LEASEHOLD (25)	Fire Pump (Install) - to complete in FY2024	80.000	473.111					
	24-17010-1111 101-02	0101	ELACENCED (20)	Total CIP Project:	80,000	473,111	-	-		-	-
Mechanic	cal Systems						I		<u> </u>		<u>.</u>
3	24-17615-BLDAUT-1A	VM	LEASEHOLD (15)	Building Automation System Upgrade	400,000				[]		-
2	24-17615-METASY-01	VM	LEASEHOLD (15)	Metasys System Upgrade (Phased replacement of NAE devices, N2 Field Controllers)	400,000						
2	25-17615-LEAK-01	VM	LEASEHOLD (15)	Leak Detection System	,			50,000			50,000
2	24-17620-CNTRPL-01	VM	LEASEHOLD (15)	Central Plant Overhaul (Design then replacement)		550,000	505,550	,	30,000,000		30,505,550
				Total CIP Project:	800,000	550,000	505.550	50.000	30.000.000	-	30,555,550
West Kite	chen Remodel										
2	24-17630-KTCHEQ-01	VM	LEASEHOLD (25)	West Kitchen Equipment	2,000,000	2,005,643					-
2	24-17630-KTCHEQ-01	VM	LEASEHOLD (25)	West Kitchen Contingency		75,804	150,000				150,000
2	24-17630-KTCHEQ-01	VM	LEASEHOLD (25)	West Kitchen Transformer / Electrical Improvements		863,467	1,534,246				1,534,246
2	24-17630-KTCRML-01	VM	LEASEHOLD (30)	West Kitchen: Remodel Infrastructure	2,000,000	2,417,927	500,000				500,000
				Total CIP Project:	4,000,000	5,362,841	2,184,246	-	-	-	2,184,246
Electrica	l Systems				i						· · · ·
1	25-17630-WBRKER-01	VM	LEASEHOLD (30)	West Building Main Breaker Modernization	80,000			650,000	650,000		1,300,000
2	24-17630-EMRGEN-01	VM	LEASEHOLD (30)	West Building Generator Infrastructure	500,000	195,000	955,000	-	-		955,000
2	27-17610-LITEXH-01	VM	LEASEHOLD (10)	Lighting Control project Exhibit Halls (west side + some east meeting rooms)	300,000					300,000	300,000
2	27-17610-DIMETC-01	VM	LEASEHOLD (10)	Replace the dimming control system to electronic theatre control (ETC)						500,000	500,000
1	25-17630-CIRCUIT-01	VM	LEASEHOLD (30)	Installation/Adding Of Main Circuit Breakers To The Panels				250,000	250,000	250,000	750,000
1	25-17630-PANELS-01	VM	LEASEHOLD (30)	Electrical Panel Boards And Enclosure Repair				80,000			80,000
1	25-17625-TRANSF-01	VM	LEASEHOLD (25)	Transformer Replacements (Phased Project)				400,000	500,000	1,100,000	2,000,000
				Electrical Infrastructure Upgrades		450,000					-
				Total CIP Project:	880,000	645,000	955,000	1,380,000	1,400,000	2,150,000	5,885,000
Building	Reconditioning Proj	ects									
2	24-17630-KITFLR-01	VM	LEASEHOLD (30)	Resurface East Kitchen floors	200,000			200,000			200,000
2	24-17615-WAIRWL-01	VM	LEASEHOLD (15)	Replace air walls (west side)	4,000,000						-
3	24-17615-CONCES-1A	VM	LEASEHOLD (15)	Design for Concession Stand Replacement	100,000						-
3	26-17615-CONCES-1B	VM	LEASEHOLD (15)	Concession stands: Retrofit A-C. Others will be demoed in expansion							-
1	25-17710-MRSHLY-1A	CA	LAND	Land Development for Marshall Yard: Grading, concrete, fencing, gate, electrical				250,000			250,000
2	25-17615-OFFICE-01	VM	LEASEHOLD (15)	Workplace HVAC improvements				200,000			200,000
3	25-17610-LOANMD-01	VM	LEASEHOLD (10)	Installation Of Load Monitoring (Metering) Devices				120,000			120,000
1	25-17615-CONCSC-01	CA	LEASEHOLD (15)	Lobby C Concession Refurbishment				250,000			250,000
2	25-17610-FLOORM-01	VM	LEASEHOLD (10)	Replace flooring on stairs by West Mezz rooms				150,000			150,000
?	OM-FRELEV-07	VM	LEASEHOLD (15)	Freight elevator doors N & O Replacement		114,331					-
UN			LEASEHOLD (15)	Cooling Towers Major Repairs		36,371					-
UN			LEASEHOLD (15)	Rollup Door Replacement		113,708					-
UN			LEASEHOLD (15)	Carpet install Exec Offices & Exterior Walk off areas		323,080					-
?	CP-BOILER-02 (FY2023)		LEASEHOLD (15)	East Kitchen Boiler/Tank		68,448					-
	-			Total CIP Project:	4,300,000	655,938	-	1,170,000	-		1,170,000
Plumbing	g Systems										
3	25-17615-DWPITS-01	VM	LEASEHOLD (15)	Replace control units on Dewatering Pits				120,000			120,000
	-			Total CIP Project:	-	•	-	120,000	-		120,000
				Total Capital Projects - Net Cash Investment Needed	11,960,000	\$7,686,890	\$3,944,796	\$3,793,083	\$49,456,642	\$2,150,000	\$59,344,521
				To Be Debt Financed	\$0	\$0	\$0)	(43,331,682)	\$0	(\$43,331,682)
				Total O&M Projects - Net Cash Investment Needed	11,960,000	\$7,686,890	\$7,737	.879	\$6,124,960	\$2,150,000	\$16,012,839

3-Year O&M Outlook Detail (Operating Equipment & Major Maintenance Projects)

					FY2024	FY2024	FY25 Carryover	FY2025	FY2026	FY2027	FY25-FY27 O&M
Priority	Budget ID	Owner	Asset Life	O&M Project Descriptions	Budget	Forecast	FY24 Commit	Budget	Projection	Projection	Total Budget
	Equipment										
3	24-17450-KTNSTK-01	VM	OPER EQUIP (15)	Kitchen Stacker System with Shelving Equipment Warehouse	40,000	30,000					-
2	25-17450-GRILLS-01	VM	OPER EQUIP (15)	Gas Grills (2) - Countertop w/ Splash (East Kitchen)				28,850			28,850
2	25-17450-BROILS-01	VM	OPER EQUIP (15)	Gas Charbroilers (2) - Countertop w/ Stand (East Kitchen)				19,000			19,000
3	25-17450-SRACKS-01	VM	OPER EQUIP (15)	Nesting Pan Racks (Speed Racks) (48) - Due to Damaged Inventory				35,100			35,100
UN	NP11-6490-08	VM		Refrigerator (in Tides)		18,218					
UN	24-17450-COFFEE-UN	VM	OPER EQUIP (15)	Coffee Makers for East Kitchen (w/ upgrades to electrical/plumbing)		82,971					
			-	Total O&M Project:	40,000	131,189	-	82,950	-	-	82,950
Leasehol	d Asset Part Replace	ement									
2	25-17610-CAPOM-01	VM	OPER EQUIP (15)	Mechanic Shop Garage Door	-	-		22,000			22,000
2	25-17610-CAPOM-02	VM	OPER EQUIP (15)	Ballroom 20 East Kitchen Corridor Wall Replacement	-	-		40,000			40,000
2	25-17610-CAPOM-03	VM	OPER EQUIP (15)	Server Room Split Temperature Control	-	-		35,000			35,000
	25-17610-CAPOM-04	VM	OPER EQUIP (15)	Contingency Items	-	-		100,000			100,000
				Total O&M Project:	-	-	-	197,000	-	-	197,000
Plumbing	1										
1	24-17450-THRMVL-01	VM	OPER EQUIP (15)	Thermostat mixing valves	280,000	27,711					-
				Total O&M Project:	280,000	27,711	-	-	-	-	-
Technolo		-	•								
2	24-17250-CCTVFR-01	CA	SOFTWARE (10)	CCTV Upgrade (front drive) - Public Safety	150,000	-					
2	25-17220-UKGWFM-01	MRM	SOFTWARE (5)	Workforce Management (Dimensions) UKG Pro Timekeeping, UKG Pro Accruals, Advance Scheduling, Leave & Attendance)				141,300			141,300
3	24-17220-SERVOM-01	SM	SOFTWARE (5)	Server Replacement (phased fleet replacement)	60,000	70,000					-
3	24-17220-NIMBLE-01	SM	SOFTWARE (5)	Digital Storage Appliance (Replacing Nimble)	163,000	40,935					-
2	OM-ERPPII-04		SOFTWARE (5)	ERP Phase II (FMT & Solver)		75,000					-
UN			SOFTWARE (5)	Maintenance Mgmt System (NexGen)		254,040					
UN				Capital Contribution - Smart City - Wireless Upgrade for WiFi 6		138,729					
UN				Capital Contribution - Smart City - Outdoor IDF Upgrade				300,000			
				Total O&M Project:	373,000	578,704	-	441,300	-	-	141,300
Operating	g Equipment	1	•								
1	24-17450-WHLCHL-01	DB	OPER EQUIP (15)	Ascension Virtuoso 5460P Wheelchair lifts (2) \$37,000 each (ADA)	73,603	84,795					-
2	24-17450-SCSRLF-01	FY23	OPER EQUIP (15)	26/32 scissor lift	40,000						-
2	24-17450-KARVAC-01	DB	OPER EQUIP (15)	Karcher (Waxie) Chariot Large Expanse Vacuum Cleaners (2) \$25K each	50,000	64,091					-
2	24-17450-LAWNMO-01	DB	OPER EQUIP (15)	Triplex Lawnmower (Defer to FY25 due to Lead Times)	50,000		53,949				53,949
2	24-17450-SCRUBR-01	DB	OPER EQUIP (15)	Tennant Scrubber T20 (Defer to FY25 due to Lead Times)	64,200	79,073					-
2	24-17450-SCRL40-01	VM	OPER EQUIP (15)	40' Scissor Lift	80,000	41,009					-
2	24-17450-BOBKAT-01	FY23	OPER EQUIP (15)	Bobcat SkidSteer S590 (Bucket, Grapple Bucket, Excavator, Stump Grinder)	95,000						-
3	24-17450-SWEEPR-01	DB	OPER EQUIP (15)	Tennant Sweeper, Large ride on, Tennant S30	39,000	62,087					-
3	24-17450-ELECRT-01	VM	OPER EQUIP (15)	Electric Carts at \$16K each	16,435	16,497					-
3	24-17450-ELECRT-02	VM	OPER EQUIP (15)	Electric Carts at \$16K each	16,435	16,497					-
3	24-17450-ELECRT-03	VM	OPER EQUIP (15)	Electric Carts at \$16K each	16,435	16,497					-
3	24-17450-ELECRT-04	VM	OPER EQUIP (15)	Electric Carts at \$16K each	16,435	16,497					-
3	24-17450-ELECRT-05	VM		Electric Carts at \$16K each	16,435	16,497					-
4	24-17450-EFRKLF-05	DB		Yale Electric Forklift with Charger	44,000	48,148					-
2	25-17450-SWEEPR-01	DB	, ,	Tennant 6100E Ride-On Sweepers (Replace 3 existing) \$31K each				93,000			93,000
2	25-17450-CARPEX-01	DB	OPER EQUIP (15)	Tennant R-14 Ride-On Carpet Extractors (Replace 3 existing) \$32K each				96,000			96,000
2	25-17450-ESCCLN-01	DB	OPER EQUIP (15)	Rosemor Rotomatic Escalator Cleaner (Replace existing) \$42,000				42,000			42,000
3	25-17450-ATVVAC-01	DB		Chariot 3 CV86 ATV Lithium Ride-On Vacuum \$33,000				33,000		FF 000	33,000
4	25-17450-RBVACM-05	DB	OPER EQUIP (15)	Robotic Vacuum (\$55k)						55,000	55,000
3	4-6140-05/24-60460-MAIN	11-07	OPER EQUIP (15)	Taylor Dunn 48V Bigfoot Cart		18,705					-

3-Year O&M Outlook Detail (Operating Equipment & Major Maintenance Projects)

					FY2024	FY2024	FY25 Carryover	FY2025	FY2026	FY2027	FY25-FY27 O&M
Priority	Budget ID	Owner	Asset Life	O&M Project Descriptions	Budget	Forecast	FY24 Commit	Budget	Projection	Projection	Total Budget
3	NP14-6140-02		OPER EQUIP (15)	Taylor Dunn 48V Bigfoot Cart		17,779					-
3	NP14-6140-02		OPER EQUIP (15)	Taylor Dunn 48V Bigfoot Cart		17,779					-
				Total O&M Project:	617,978	515,951	53,949	264,000	-	55,000	372,949
Continge	ncy Items										
N/A				Contingency Items					819,000	800,000	1,619,000
				Total O&M Project:	-	-	-	-	819,000	800,000	1,619,000
				Total O&M Projects	1,310,978	\$1,253,555	\$53,949	\$985,250	\$819,000	\$855,000	\$2,413,199
				To Be Debt Financed	\$0	\$0	\$0)	\$0	\$0	\$0
				Total O&M Projects - Net Cash Investment Needed	1,310,978	\$1,253,555	\$1,039	,199	\$819,000	\$855,000	\$2,413,199

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO:	Board of Directors
FROM:	Will Rodriguez-Kennedy, Budget Chair
DATE:	For the Agenda of June 27, 2024
RE:	Authorize Approval of Contract for Temporary Staffing

BACKGROUND

The San Diego Convention Center Corporation (SDCC) hires nearly 250 temporary workers to support the Comic-Con event each year. This has traditionally been accomplished through a hybrid strategy involving internal recruitment efforts and external assistance. Over the past few years, SDCC has augmented some of its specialized cleaning services through an outsourced temporary assignment.

Beginning in 2024, staff aim to expand the temporary recruitment efforts by outsourcing all temporary positions through a centralized staffing agency model in the short term. This approach is projected to be cost-neutral in the short-term as outsourced contracted services are competitive to the fully burdened internal costs for direct labor needed while preserving administrative services to support other areas during this busy period while minimizing worker's compensation and unemployment insurance claim risk.

People Ready, a temporary staffing agency, has pledged to provide SDCC with up to 125 parttime temporary workers available to work six days to facilitate cleaning and guest services operations. SDCC has the option to retain up to twenty employees after the event without incurring a placement fee.

DISCUSSION

Staff comprised of members from the Human Resources and Venue Operations departments reviewed the scope of work and staffing levels to properly service the event. People Ready will be responsible for providing up to 125 part-time temporary workers for cleaning and guest services support, while Aramark will supplement these workers with 120 cleaning personnel. This collaborative effort will result in the recruitment of a total of 245 temporary staff members for the 2024 event.

To ensure the highest standards of safety and professionalism, People Ready will conduct background checks and provide necessary safety training for all personnel. People Ready will execute all aspects of hiring, discipline, and termination with SDCC onboarding temporary staff while retaining oversight to ensure compliance with Corporation guidelines and expectations.

People Ready shall comply with the City of San Diego Living Wage Ordinance (San Diego Municipal Code Article 2, Division 42, §§22.4201 through 22.4245) and issue payment to their

Board of Directors Agenda Item 5.A.3 June 26, 2024 Page 2

employees accordingly at a minimum rate of \$20.42/hr. People Ready contracted rates are \$28.79 for straight time and \$39.01 for overtime per hour worked. This remains competitive with SDCC's fully burdened rate for internal candidates.

People Ready is regarded as an independent contractor. People Ready and its employees are not eligible for Corporation benefits and are not authorized to act as agents on behalf of the Corporation.

STAFF RECOMMENDATION

The Board authorizes award of a contract to People Ready for temporary staffing for a not-to-exceed value of \$180,000 as included in the Revised FY2025 Budget.

/s/ Will Rodriguez-Kennedy Budget Chair



June 5, 2024

Equal Opportunity Contracting (EOC) 1200 Third Avenue, Suite 200 San Diego, CA 92101

Re: Work Force Report – PeopleReady

Dear Sir or Madam:

Please find attached the Work Force Report for PeopleReady, Inc. (Branches 1512 – La Mesa, 1521 – Chula Vista, and 1508 – San Diego).

The information provided has been combined and submitted for the PeopleReady branch work force. Should you have any questions, would like to discuss further, or require Managing Office Work Force data or additional data, please do not hesitate to contact me directly.

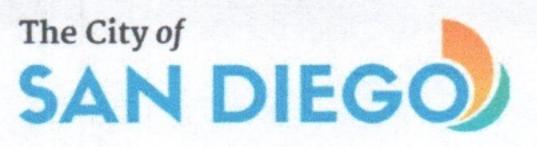
I can be reached via email at gbell@trueblue.com or by phone at 253-274-7059

Sincerely,

Sing Bell

Greg Bell Director and Assistant General Counsel, TrueBlue, Inc.

Enclosures



EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue, Suite 200 · San Diego, CA 92101 Phone: (619) 236-6000 · Fax: (619) 236-5904

WORK FORCE REPORT

The objective of the Equal Employment Opportunity Outreach Program, San Diego Municipal Code Sections 22.3501 through 22.3517, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED CONTRACTOR IDENTIFICATION

Type of Contractor:			int Recipient			r □ Ot	ssee/Le her	
Name of Company:Pe	opleReady, Inc.							
ADA/DBA:								
Address (Corporate Headq	uarters, where ap	oplicable):	1015 A st.					
City: Tacoma		County: _	Pierce Coun	ty	State:	/A	_ Zip:_	98402
Telephone Number:	253-383-9101			Fax Number: _				
Name of Company CEO:	Taryn Ower	n						
Address(es), phone and fai		ompany fac	ilities located in S	an Diego Count	y (if differe	nt from above)	:	
Address:4950 WaringCity:San Diego		County:	San Diego		State:	СА	Zip:	92120
Telephone Number:619							E. S.	
Type of Business: The Company has appointed		Toweze	Pfister, Deput	ry beneval	Course 1	TrueBlue	, Inc.	
As its Equal Employment (employment and affirmati Address: 570 <	ve action policies	of this con	npany. The EEOO 8402	may be contact	ted at:			
As its Equal Employment (employment and affirmati Address:	t Tacawa, - 680 - 8470	of this con UA 98 Fax N	npany. The EEOO 8402	may be contact	ted at: Email:	-ego/Depar	Amert	setwelolve.
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WORK FORCE REPORT - Page 2	Lich al
NAME OF FIRM: People Ready Inc	DATE: 61512024
OFFICE(S) or BRANCH(ES): 1512 - La Mesa, 1521 - Chula Vista, 1558 COUNTY:	San Diego
INSTRUCTIONS: For each occupational category, indicate number of males and females in every e	thnic group. Total columns in row

provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or parttime basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black or African-American
- (2) Hispanic or Latino
- (3) Asian
- (4) American Indian or Alaska Native

Definitions of the race and ethnicity categories can be found on Page 4

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) Black or African American		(2) Hispanic or Latino		(3) Asian		(4) American Indian/ Nat. Alaskan		(5) Pacific Islander		(6) White		(7) Other Race/ Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial			1				12.2				1	1		
Professional														
A&E, Science, Computer														
Technical												- Colling		
Sales														
Administrative Support		1	1	1								1		1
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														
*Construction laborers and other fie Totals Each Column		les are i	2			page					1	2		1
Grand Total All Employees Indicate by Gender and Ethnicit	y the Nur	nber of	8 Above	Employ	vees Wh	o Are 1	Disabled	1:						
Disabled		U	0	0							0	0		0
Non-Profit Organizations Only:														
Board of Directors														
Volunteers														
			1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		The second second		Contraction of the	and the second			1		

- (5) Native Hawaiian or Pacific Islander
- (6) White
- (7) Other race/ethnicity; not falling into other groups

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO:	Board of Directors
FROM:	Mardeen Mattix, Chief Financial Officer
DATE:	For the Agenda of June 26, 2024
RE:	Authorization to Accept Money Purchase Pension Plan Audited Financial Report for the Plan Year Ended December 31, 2023

BACKGROUND

The San Diego Convention Center Corporation's Money Purchase Pension Plan ("Plan") was originally adopted January 1, 1986, and was most recently restated effective January 1, 2022. The Plan is the primary retirement benefit provided to eligible employees of the Corporation.

Considine & Considine was engaged to audit the financial statements and supplementary information. Per the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974 (ERISA). ERISA is a federal law that establishes standards for health, retirement, and other welfare benefit plans in order to protect both employees and employers to ensure the plan sponsor fulfills its fiduciary duty to the plan's participants. An audit is able to:

- Identify insight into the sponsor's control environment and internal control processes
- Identify possible weaknesses, operational errors, and potential fraud risks

Annually, at the conclusion of the audit, the Corporation files a Public Retirement Systems Financial Transaction Report with the State Controller's Office of the San Diego Convention Center Corporation Money Purchase Pension Plan (MPPP) performance.

DISCUSSION

The accounting firm of Considine & Considine, LLP has completed the audit of the Corporation's MPPP for the plan year ended December 31, 2023. They have served as our auditors for many years. The existing contract term began November 2022, and continues through November 2024, with a one (1) year option to extended.

The purpose of this audit to express an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and whether the supplemental schedules are fairly

Board of Directors Agenda Item 5.B.1 June 26, 2024 Page 2

stated in all material respects in relation to the financial statements as a whole. I am happy to report a successful audit with confirmation that our financial statements are fairly presented in conformity with U.S. GAAP, the notes include all disclosures required by laws and regulations to which the plan is subject.

martenhatig

Mardeen Mattix Chief Financial Officer



SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022

SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN

		Pages
I	Index	1
II	Independent auditor's reports	2 – 5
	Statements of net assets available for benefits	6
IV	Statements of changes in net assets available for benefits	7
V	Notes to the financial statements	8 – 15
VI	Required supplemental information:	
	- Schedule of assets (held at end of year)	16 – 18

INDEPENDENT AUDITOR'S REPORT

To the Trustees of San Diego Convention Center Corporation Money Purchase Pension Plan

Scope and Nature of the ERISA Section 103(a)(3)(c) Audit

We have performed audits of the accompanying financial statements of San Diego Convention Center Corporation Money Purchase Pension Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended December 31, 2023 and 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of San Diego Convention Center Corporation Money Purchase Pension Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the years ended December 31, 2023 and 2022 stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of San Diego Convention Center Corporation Money Purchase Pension Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego Convention Center Corporation Money Purchase Pension Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

• Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of San Diego Convention Center Corporation Money Purchase Pension Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego Convention Center Corporation Money Purchase Pension Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at the end of the year) as of December 31, 2023 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CONSIDINE & CONSIDINE An accountancy corporation

May 30, 2024

SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2023 AND 2022

Page 6

ASSETS	2023	2022
INVESTMENTS Investments at fair value (notes 6 and 7)	\$ 24,695,162	\$ 21,799,281
CASH (note 6)	17,704	65,783
RECEIVABLES Notes receivable from participants	456 104	474 407
Notes receivable from participants	456,104	474,497
TOTAL ASSETS	25,168,970	22,339,561
LIABILITIES Benefits payable	714	109
TOTAL LIABILITIES	714	109
NET ASSETS AVAILABLE FOR BENEFITS	\$ 25,168,256	\$ 22,339,452

SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

		Page 7
CHANGES TO NET ASSETS ATTRIBUTED TO:	2023	2022
INVESTMENT INCOME/(LOSS) (note 6)		
Net appreciation/(depreciation) in fair value of investments Dividends	\$ 2,787,070 600,712	\$ (4,716,186) 843,275
	3,387,782	(3,872,911)
Interest income on notes receivable from participants	24,072	29,081
CONTRIBUTIONS		
Employer	1,488,741	1,144,501
TOTAL CHANGES	4,900,595	(2,699,329)
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants (note 5)	1,979,241	1,581,029
Administration fees (note 3)	92,550	100,295
TOTAL DEDUCTIONS	2,071,791	1,681,324
NET INCREASE/(DECREASE)	2,828,804	(4,380,653)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	22,339,452	26,720,105
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 25,168,256	\$ 22,339,452

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NOTE 1 DESCRIPTION OF PLAN

The following description of San Diego Convention Center Corporation Money Purchase Pension Plan ("Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

GENERAL

The Plan is a defined contribution plan covering all full-time and part-time employees of The San Diego Convention Center (the "Company" or "Employer") who are not covered under a union retirement plan. Full-time employees qualify to participate in the Plan once they have completed 1,000 hours in their first year of service while part-time employees qualify to participate in the Plan once 1,000 hours have been completed each year. The Plan is subject to certain provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

CONTRIBUTIONS

Contributions to the Plan are as follows:

For each plan year, the Employer is required to contribute an amount equal to 10% of the total annual compensation of all participants who qualified to participate in the Plan. Contributions for any one plan year shall be transferred to the Plan; provided, however, such contributions shall be paid no later than the due date of the Company's corporate tax returns (or any extension thereof). In the event the annual contribution is deposited after the close of the plan year, the employer shall designate the plan year to which such contributions apply. Total payroll for the years ended December 31, 2023 and 2022 was \$21,368,890 and \$17,500,130, respectively. Contributions were calculated using eligible wages of \$16,599,763 for 224 employees and \$13,707,271 for 200 employees for the years ended December 31, 2023 and 2022, respectively. The Plan was fully funded during 2023 and 2022.

The Plan does not permit voluntary contributions.

PARTICIPANT ACCOUNTS

Participants have separate accounts for contributions to the Plan. Annually, each account recognizes appropriate contributions, plan earnings or losses net of fees, and applicable forfeitures upon participant termination.

FORFEITED ACCOUNTS

Forfeitures are used to reduce the employer's liability for current or subsequent contributions to the Plan.

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<u>VESTING</u>

Vesting in participant's accounts, based on years of service, is as follows:

Years of service	Vested %
Less than 1 year	None
1 year but less than 2	20
2 years but less than 3	40
3 years but less than 4	60
4 years but less than 5	80
5 years of more	100

<u>LOANS</u>

Participant loans are permitted under the Plan, however, loan amounts may not exceed the lesser of \$100,000 or 50% of the participant's vested account balance, subject to a minimum loan amount of \$1,000. Interest charged on the loans is prime rate plus 0.5%.

INVESTMENT OPTIONS

Upon enrollment into the Plan, participants may direct their account balances in any investment alternatives approved by the trustee, including but not limited to mutual funds and the common and collective fund. All earnings and losses on the directed investments are credited directly to the participants' accounts.

PAYMENT OF BENEFITS

Vested benefits are payable in one lump-sum distribution of the entire account balance or in a single sum payment of a portion of the account balance.

For purposes of determining whether or not a withdrawal is being used to provide benefits in accordance with the Plan document, the term "benefits" is limited to amounts becoming payable to the participant due to:

- (A) termination of employment
- (B) retirement
- (C) disability
- (D) death

as defined in the plan document.

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Withdrawals for reasons other than those listed above are allowed but may be subject to certain charges and adjustments.

In the event of a mandatory distribution greater than \$1,000, but no more than \$5,000, in accordance with the payment provisions of the Plan, if the participant does not elect to have such distributions paid directly to an eligible retirement plan specified by the participant in a direct rollover or to receive the distribution directly under any form of payment allowed under the Plan, then the distribution will be paid in a direct rollover to an individual retirement plan designated by the plan administrator. Mandatory distributions of \$1,000 or less will be paid in cash as directed by the plan administrator, unless the participant elects a direct rollover or elects to receive the distribution under another form permitted by the Plan.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared using the accrual method in conformity with generally accepted accounting principles (GAAP) in the United States of America.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Investments Valuation and Income Recognition - Investments are maintained in mutual funds and in a non-fully benefit-responsive common collective trust and are stated at values certified by the institution that holds the Plan's assets as an investment manager and are under the custody of the Plan trustee. Quoted market prices are used to value investments at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. The cost basis of the assets was \$23,701,813 and \$23,645,596 as of December 31, 2023 and 2022, respectively.

Fair Value Measurement - The Plan follows accounting standards consistent with the Financial Accounting Standards Board (FASB) Codification which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

Classification and measurement of financial instruments - The Plan follows Accounting Standards Update (ASU) 2016-01 "Recognition and Measurement of Financial Assets and Financial Liabilities." This ASU amends certain aspects of current guidance on the recognition, measurement and disclosure of financial instruments. Among other changes, this ASU requires most equity investments to be measured at fair value. Additionally, the ASU eliminates the requirement to disclose the method and significant assumptions used to estimate the fair value for instruments not recognized at fair value in the Plan's financial statements.

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Notes Receivable from Participants - Loans to participants are reported at their unpaid principal balances plus any accrued but unpaid interest. Management regularly reviews the collectability of the delinquent loan balances and records an allowance based on circumstances of the individual's underlying loan. Uncollectible loans are written off against the participant's balance at the time the participant leaves the Plan. Notes receivable from participants are reported net of an allowance of \$0 as of December 31, 2023 and 2022.

Benefits - Benefits are recorded when paid. There are no unpaid benefits at December 31, 2023 and 2022.

Income Taxes - The Plan follows accounting standards which clarify the accounting for uncertainty in income taxes recognized in the Plan's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. The Plan is a governmental plan as defined in section 3(32) of ERISA, and thus exempt from Title 1 of ERISA and certain provisions of the Internal Revenue Code. The Plan is subject to the unrelated business income tax (UBIT) in any taxable year its unrelated business taxable income (UBTI) exceeds \$1,000. The Company does not believe it has conducted business which is not substantially related to the Plan's exempt purpose or invested in any non-qualified investments that would be subject to UBIT. As of December 31, 2023 and 2022, the Plan has not accrued interest or penalties related to uncertain tax positions.

Recent Accounting Pronouncements

In July 2016, FASB issued ASU 2016-13 Financial Instruments – Credit Losses (Topic 326). The new standard is effective for fiscal years beginning after December 15, 2022. The Plan adopted Topic 326 and all related amendments as of January 1, 2023. The standard replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to trading receivables, financing receivables, held-to-maturity debt securities, and receivables relating to repurchase agreements and securities lending agreements. It also applies to off-balance sheet credit guarantees, and other similar instruments) and net investments in leases recognized by a lessor in accordance with Topic 842 on leases. Financial assets held by the Plan that are subject to this guidance were investments at fair value.

The Plan adopted ASC 326 using a modified retrospective transition approach. Under this approach, an entity records an adjustment to retained earnings for the cumulative effect of adopting the standard. The adjustment is made to opening retained earnings as of the start of the reporting period in which the ASU becomes effective. The Plan has performed a review of the new guidance as compared to its current accounting policies to determine the impact of this standard on their financial assets presentation. Upon completion of its review, the Plan has made a determination that there is no material impact to their financial assets presentation upon adoption of the new standard.

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NOTE 3 ADMINISTRATIVE EXPENSES

Expenses of the Plan, to the extent that the employer does not pay such expenses, may be paid out of the assets of the Plan provided that such payment is permitted by law. Certain investment related expenses are included as a reduction of investment return and are not separately reflected. During the years ended December 31, 2023 and 2022, the majority of the administrative expenses of the Plan were paid using assets of the Plan. Amounts totaling \$92,550 and \$100,295 were paid directly by the Plan for administration fees for the years ended December 31, 2023 and 2022, respectively.

NOTE 4 PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, the rights of all employees to account balances accrued to the date of the termination are fully vested and non-forfeitable.

NOTE 5 BENEFITS PAID TO PARTICIPANTS

For the years ended December 31, 2023 and 2022, \$1,979,241 and \$1,581,029, respectively, have been distributed to participants who have withdrawn from the Plan.

For the years ended December 31, 2023 and 2022, the total amount of forfeitures used for the Plan were \$31,546 and \$139,165, respectively. Forfeitures are used to reduce employer contributions to the Plan. At December 31, 2023 and 2022, there were forfeited nonvested accounts totaling \$0 and \$1,742, respectively.

NOTE 6 INFORMATION PREPARED AND CERTIFIED BY PLAN TRUSTEE

The following is information prepared and certified by Charles Schwab Trust Bank:

		2023		2022
Cash	\$	17,704	\$	65,783
Investments at fair value:				
Mutual funds	2	2,563,785	1	9,132,040
Common and collective fund		2,131,377		2,667,241
	2	4,695,162	2	1,799,281
	\$ 2	4,712,866	\$ 2	1,865,064

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		- J J
	2023	2022
Investment income/(loss):		
Net appreciation/(depreciation) in fair value of investments	\$ 2,787,070	\$ (4,716,186)
Dividends	 600,712	 843,275
	\$ 3,387,782	\$ (3,872,911)

During 2023 and 2022, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the years) appreciated/(depreciated) in value by \$2,787,070 and (\$4,716,186), respectively.

NOTE 7 COMMON AND COLLECTIVE FUND

The Plan has a non-fully benefit-responsive common and collective fund with Charles Schwab Trust Bank and that is operated as a stable return fund. Charles Schwab Trust Bank maintains Plan contributions in an unallocated account which is part of the general assets of Charles Schwab Trust Bank. The fund is included in the financial statements at fair value as reported to the Plan by Charles Schwab Trust Bank at December 31, 2023 and 2022. The fund is credited with contributions made under the fund, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the fund at December 31, 2023 and 2022 was \$2,131,377 and \$2,667,241, respectively. The crediting interest rate was 2.80% at December 31, 2023 and 2.23% at December 31, 2022. The crediting interest rate is based on the rate in effect when money is deposited in the account.

NOTE 8 FAIR VALUE MEASUREMENT

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

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Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The fair value of the interest in the mutual funds is based on the closing price reported in the active market where the individual securities are traded, when available and is classified as Level 1 investments.

The common and collective fund operates as a stable return fund. The fund is valued on the basis of the relative interest of each participating investor in the fair value of the underlying assets of each of the respective common collective trusts. The values of the underlying investments are observable, and accordingly, the investments are classified as Level 2.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

Financial assets carried at fair value at December 31, 2023 are classified below in one of the three categories described above. The table below presents the balances of assets measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	\$ 22,563,785	\$-	\$-	\$ 22,563,785
Common and collective fund	-	2,131,377		2,131,377
	\$ 22,563,785	\$ 2,131,377	\$ -	\$ 24,695,162

Financial assets carried at fair value at December 31, 2022 are classified below in one of the three categories described above. The table below presents the balances of assets measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	\$ 19,132,040	\$ -	\$-	\$ 19,132,040
Common and collective fund	-	2,667,241		2,667,241
	\$ 19,132,040	\$ 2,667,241	\$-	\$ 21,799,281

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 10 RELATED PARTY TRANSACTIONS

Certain Plan investments include a common and collective fund and shares of money market funds managed by Charles Schwab Trust Bank. Charles Schwab Trust Bank is the trustee as defined by the Plan. Administrative fees incurred by the Plan to the Trustees totaled \$9,254 and \$9,616 for the years ended December 31, 2023 and 2022, respectively. Administrative fees incurred by the Plan to the third party administrator, Randall and Hurley, Inc. totaled \$38,239 and \$44,400 for the years ended December 31, 2023 and 2022, respectively. Consulting fees incurred by the Plan to RBC Capital Markets, LLC totaled \$45,057 and \$46,279 for the years ended December 31, 2023 and 2022, respectively. The Company also pays certain administrative fees of the Plan, which are not reimbursed. In addition, the Company provides administrative services to the Plan at no cost to the Plan. Substantially all of the Plan's operating expenses are paid by the Company. These transactions qualify as party-in-interest transactions.

NOTE 11 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through May 30, 2024, the date which the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.

SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR) DECEMBER 31, 2023

Plan Sponsor's EIN: 33-0107636 Plan Number: 001

		date, rate of interest, collateral, par or maturity		(-) (
(a)	(b) Identity of issue, borrower, lessor, or similar party	value	(d) Cost	(e) (Current Value
	American Fds Target Date Ret 2025 R6	Mutual fund	**	\$	4,666,345
	American Funds Target Date Ret 2040 R6	Mutual fund	**		4,137,944
	Wells Fargo Stable Value Fund C	Common and collective funds	* *		2,131,377
	American Fds Target Date Ret 2030 R6	Mutual fund	**		2,126,255
	MFS Mid Cap Growth CL R6	Mutual fund	* *		1,450,047
	American Fds Target Date Ret 2035 R6	Mutual fund	* *		1,402,746
	Vanguard 500 Index F	Mutual fund	**		1,100,976
	American Fds Target Date Ret 2010 R6	Mutual fund	**		1,076,926
	American Fd Target Date Ret 2050 R6	Mutual fund	* *		918,527
	American Fd 2055 Target Date	Mutual fund	**		824,410
	Vanguard Info Tech Index Fd Admiral	Mutual fund	* *		657,912
	MFS Growth Fund CL R6	Mutual fund	* *		638,008
	American Fd 2060 Target Date	Mutual fund	* *		613,600
	American Fd Target Date Ret 2045 R6	Mutual fund	* *		521,175
	American Fds Target Date Ret 2020 R6	Mutual fund	* *		506,253
	JP Morgan Equity Income R6	Mutual fund	* *		366,095
	T. Rowe Price Overseas Stock Fund I	Mutual fund	* *		297,860
	Pimco Rae Us Small Fund Instl	Mutual fund	* *		257,585
	PGIM Total Return Bd R6	Mutual fund	* *		162,449
	Conestoga Small Cap Inst	Mutual fund	* *		147,106

(c) Description of investment including maturity

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SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR) DECEMBER 31, 2023

Plan Sponsor's EIN: 33-0107636 Plan Number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
				• • • • • • • • • • • • • • • • • • •
	American Fds Target Date Ret 2015 R6	Mutual fund	* *	114,881
	American Funds Target Date Ret 2065 R6	Mutual fund	* *	114,252
	American Funds New Pespective R6	Mutual fund	* *	74,737
	Vanguard Real Estate In Fd Adm Shares	Mutual fund	* *	68,646
	Vanguard Total Intl Stock Index Adm	Mutual fund	* *	65,600
	Allspring Special Mid Cap Val Fund R6	Mutual fund	* *	48,807
	Vanguard FTSE Social Index ADM	Mutual fund	* *	48,267
	Vanguard Financials Index Fd Adm Shr	Mutual fund	* *	44,890
	Vanguard Extended Market Index Fund ADM	Mutual fund	* *	44,556
	Vanguard Healthcare Index Fd Adm	Mutual fund	* *	43,872
	Vanguard Emerging Markets Stock Index Fund Adm	Mutual fund	* *	22,899
	Cash	Cash	* *	17,704
	Vanguard Total Bond Market Index Adm	Mutual fund	* *	80
	Fidelity Inflation Protected Bond Index	Mutual fund	* *	79
	Fidelity Inflation Protected Bond Index	Mutual fund	* *	

(c) Description of investment including maturity

\$ 24,712,866

* Indicates an identified person known to be a party-in-interest to the Plan.

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SAN DIEGO CONVENTION CENTER CORPORATION MONEY PURCHASE PENSION PLAN REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR) DECEMBER 31, 2023

Plan Sponsor's EIN: 33-0107636 Plan Number: 001

		(c) Description of investment including maturity date, rate of interest, collateral, par or maturity			
(a)	(b) Identity of issue, borrower, lessor, or similar party	value	(d) Cost	(e) Cu	rrent Value
*	Notes receivable from participants	Various maturity dates Interest rate 3.75% - 9.50%	**	\$	456,104

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost has been omitted as investment is participant directed.

See accompanying independent auditor's report

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Agenda Item 5.C.1

SAN DIEGO CONVENTION CENTER CORPORATION M E M O R A N D U M

TO:	Board of Directors
FROM:	Clifford "Rip" Rippetoe, President & CEO
DATE:	For the Agenda of Meeting of June 26, 2024
RE:	Authorization to Accept San Diego Tourism Authority "Program of Work"

BACKGROUND

The San Diego Convention Center Corporation ("Corporation") entered into a services contract with the San Diego Tourism Authority ("SDTA") on January 26, 2022, to provide long-term sales and marketing services for a five-year term, beginning on July 1, 2022, and expiring on June 30, 2027. Pursuant to the terms of that agreement, the SDTA is required to provide the Corporation with an Annual Program of Work at the beginning of each fiscal year of the contract. The purpose of the Program of Work is to, 1) clearly define SDTA's annual sales booking goals for each given year, 2) provide an outline of their marketing budget and expenses, and 3) summarize the tactics and strategies that they will undertake to achieve the required goal. The SDTA is required to submit a draft of the Program of Work to the Corporation no less than ninety (90) days prior to the start of the fiscal year. The initial draft was submitted to the Corporation by SDTA in March of this year, thus meeting this requirement. This ninety (90) day period is intended to provide both parties an opportunity to discuss and agree upon a final version of the document for approval by the Corporation's Sales & Marketing Committee and full Board prior to the start of the fiscal year.

DISCUSSION

The Corporation and the Tourism Authority staff have worked collaboratively on the attached Program of Work for Fiscal Year 2025. Items of note outlined in the document include:

- 1. Annual booking goal of 650,000 hotel room nights, with a focus on high impact events for the destination over the next five to seven years.
- 2. Benchmarks for both attendance that these events will bring to the destination, as well as food & beverage revenues that these events will generate for the Convention Center. These benchmarks will help ensure that future citywide conventions are meeting the goals and objectives stated in the program of work.

SDCCC Board Meeting Agenda Item 5.C.1 June 26, 2024 Page 2

- 3. A detailed sales & marketing budget outlining the amount that SDTA has earmarked for Citywide Sales for the fiscal year, which totals \$3,842,451. As outlined in its recently approved FY25 budget, SDCCC will provide funding in the amount of \$2,816,690 to SDTA toward this total amount of \$3,842,451. This funding comes to SDCCC as a pass through from the City and is consistent with what was budgeted for in FY24.
- 4. Key actions that the Tourism Authority will take in ensure that SDTA achieves the established goal and benhmarks, to include:
 - Generate hotel room demand for the destination at the right time periods.
 - Produce the most optimal business for the SDCCC to help drive all revenue streams.
 - Create great economic benefit for the region to pre-Covid levels.
 - Align a growing Client Services team to meet the requirements of a changing Events Professional and atmosphere.
 - Utilize SDTA marketing assets and knowledge to help secure business and to drive convention attendance.
 - Collaborate with SDCCC to develop and implement software technology integration between the two organizations, which will eliminate redundancies and improve overall efficiencies within the sales process.

Additionally, the Program of Work includes an executive summary, the SDTA sales staff & services team deployment and defined roles, and a listing of all sales-related activities in which the team will participate to generate business opportunities and meet their booking goals.

STAFF RECOMMENDATION

Based on the attached draft meeting the required criteria and establishing the required booking goals for the San Diego Tourism Authority sales team, Staff recommends that the attached San Diego Tourism Authority Program of Work be accepted, and that the Board of Directors authorize its approval for Fiscal Year 2025.

/s/ Clifford "Rip" Rippetoe President & CEO

DRAFT



SDTA CITYWIDE SALES FY 2025 ANNUAL PROGRAM OF WORK

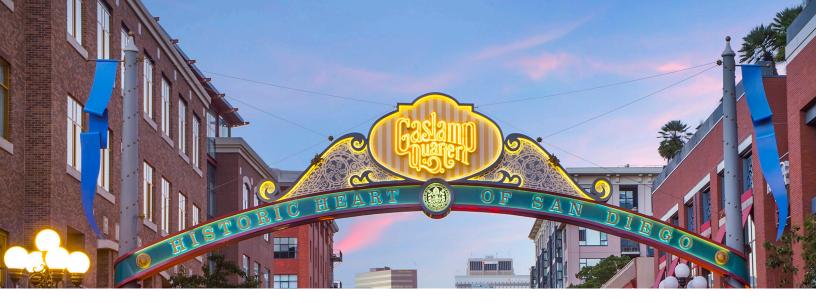
TOURISM AUTHORITY

SAN DIEGO CONVENTION CENTER CORPORATION



SECTIONS:

- Executive Summary
- Goals & Benchmarks
- Citywide Sales & Client Services Map / Deployment
- Line-Item Budget for FY 2025
- · Overview of Unified Travel, Tradeshows, and Sales Trips



EXECUTIVE SUMMARY FY 2025

The San Diego Tourism Authority (SDTA) Citywide Sales & Client Services Team is the long-term agency responsible for selling & marketing for the San Diego Convention Center Corporation (SDCCC), and a new five-year agreement solidifying this partnership took effect on July 1, 2022. The purpose of this agreement is to ensure that those events booked at the Convention Center continue to deliver economic benefit for the City of San Diego and the region. This is done by generating hotel room occupancy and direct delegate spend by convention attendees, and by optimizing Convention Center revenues through various ancillary channels (rental fees, audio visual, food & beverage, telecom, internet services and sponsorship/ branding). Ultimately, the revenues and taxes generated by those out-of-town attendees at Convention Center events bring significant benefits to the entire region. Together, the SDTA and the SDCC are pleased to play such an important role in making San Diego a better place to live, work and play.

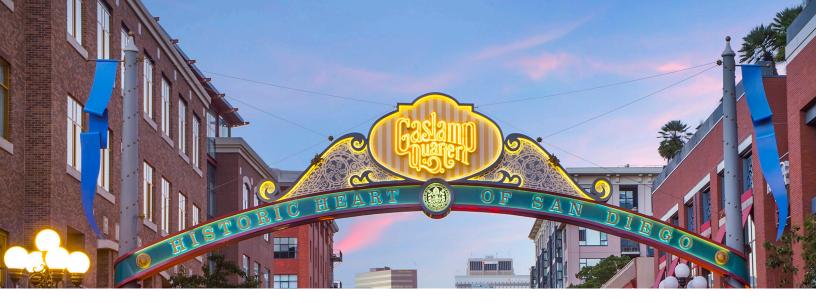
The results realized by the SDTA in FY 2024 remain strong and in line with the revised sales strategy developed in partnership with SDCCC & hotel partners in FY 2022 with feedback from the SDCCC, and key citywide hotel partners. After a collaborative vetting processing, the suggested KPIs were presented to the SDCCC board for approval at the end of FY 2022. That process included evaluating citywide business we hosted in prior years and scoring each group against agreed-upon metrics that drive both top line revenue & profit for the SDCCC (food & beverage spend in the SDCC, seasonality of business, room block pattern, ability to pay San Diego hotel rates, etc). It also gave direction on future strategy for citywide groups the SDCCC & hotel community would like the SDTA to pursue (ie: a higher percentage of corporate groups). The new strategy approved by SDCCC and implemented at the beginning of FY 2023 directed the SDTA to focus on "quality vs. quantity" – meaning less focus on booking more room nights and instead focus on booking room nights that yield a higher per attendee spend at the convention center and fill the shorter-term availability. A major reason for this approach was the limited availability at the SDCC inside of five years, but significant availability outside of 10 years. The new strategy revised the annual room night goal from around 900,000 in years prior to the pandemic, to 650,000 today. As a result, the SDTA decreased its sales staff to mirror its revised goal – from eight citywide sellers to five today. The number of sellers will be re-evaluated whenbased on future market demands.

The SDTA team has been successful filling more short-term pockets of availability (within five years) or booking very highquality events into traditionally slower demand times if outside of ten years. As an example, the final results from FY 2023 showed the following positive results.

- 1. 63% of room nights booked were within a five year arrival window (2024-2028) vs. 24% in FY 2019
- 2. Just 12.6% of room nights were outside a 10 year arrival window vs. 39% in FY 2019

And through April of FY 2024, similar results have continued. Of the 676,000 rooms booked in the first 10 months of FY24, as outlined below:

- 1. 73,000 rooms were booked in 2026, currently our most pressing need year
- 2. 35% of the business booked falls within the next five years
- 3. 64% of the business booked outside of five years hits either December or January, traditionally the two slowest months in most markets



EXECUTIVE SUMMARY FY 2025 CONT.

The booking guidelines and processes implemented over the past two years are now standard operating procedure and we continue to review and pursue other options to ensure we are booking the most lucrative business with the least risk possible to the SDCCC. All prospective bookings continue to be reviewed in weekly Business Review (BR) meetings with SDTA and SDCCC sales leadership through the lens of established Event Scoring Profile (ESP) guidelines, which takes into consideration the above-mentioned factors that drive economic impact and revenue generation for each event.

In addition, the SDTA and SDCCC teams hosted an amazingly successful Professional Convention Managers Association (PCMA) Convening Leaders (CL) Conference in January 2024. This "Super Bowl" for meeting professionals set an alltime record for total attendance (in person and virtual) and fell just short of the all-time in person attendance record. The attendance was nearly 40% over their 2023 attendance in Columbus, Ohio. It's estimated nearly 50% of the attendees had never been to San Diego so showcasing our amazing destination and convention center to a new generation of planners will provide benefits for years to come. We estimate booking 500,000 room nights into San Diego resulting from our hosting CL 2024.

The SDTA objectives for FY 2025 related to citywide conventions will continue to be:

- Generate hotel room demand for the destination at the right time periods
- Produce the most optimal business for the SDCCC to help drive all revenue streams
- Create strong economic benefit for the region
- Align our Client Services team to meet the requirements of a changing Events Professional.



FY 2025 GOALS & BENCHMARKS

The emphasis of the SDTA related to Citywide sales in FY 2025 will be continuing to focus on strategies to drive short & long-term financial success of the SDCCC by maximizing the space utilization with the most lucrative business opportunities. Several initiatives put into place in FY2023 are now standard operating procedures, and we – with the SDCCC leadership – will continue to find ways to add more value and reduce risk for the SDCCC moving forward.

We will continue to place our priorities into the following bucketed parameters in FY2025:

PEOPLE

- Strategic hiring with an emphasis on retention of sales and service professionals focused on SDCCC's best interests and the importance of filling need dates.
- Continued implementation of a comprehensive sales strategy with input from our Citywide Sales Strategy Director, whose responsibility is to provide quantitative analysis of both revenue potential and in-depth housing data of all opportunities, allowing for more informed decisions when booking future events.
- Investing in training and coaching for our Client Services team to expand their capabilities to be proactive, solutions providers to their various stakeholders our clients, our SDCCC partners and our local hotel community.

PROCESS

- Weekly business review process with sales leadership at the SDCCC, SDTA and citywide National Sales Directors (sellers) utilizing the Event Scoring Plan (ESP) metrics. The ESP was developed in partnership with an outside facilitator, and included recommendations from the sales leadership of the SDCCC, SDTA, and several downtown area hotels. The ESP includes a review of all past & potential citywide conventions that included a "score" of each based on specific metrics: event attendance, food & beverage revenue, seasonality of the event, total room nights, and booking pattern.
- Monthly business review process meetings with sales leadership at the SDCCC, SDTA leadership and sellers, and key Headquarter Hotels, to review opportunities as a group before making commitments.
- Improve integration between the SDCCC sales system (Momentus) and the SDTA's CRM (Simpleview), to help reduce redundancies and increase efficiencies between the two organizations.
- Reduce risk to the SDCCC and hotel partners by enhancing the cancellation terms of our Group Confirmation Agreement, reducing and/or food & beverage discounts for groups, and improving the allocation of convention center space to more accurately mirror a group's historical and actual needs.

Review and possibly increase the SDCCC standard rack rental schedule for exhibit halls & meeting space, to ensure that our pricing policy is aligned with our competitive set, and to maximize rental revenue for the Center.

GOALS

- Continue to utilize annual crossover room night goals, based upon historical production and with the intent on addressing pace deficits, which are then tied to individual seller's goals.
- Fill shorter-term pockets of availability within five years, while booking fewer, but more lucrative events outside of ten years.



FY 2025 GOALS & BENCHMARKS CONT.

With that, the goal for SDTA citywide sellers will be to produce 650,000 new definite rooms in FY 2025. Crossover goals will be reviewed at the end of FY 2024 to provide specific room night targets for each of the next 10 years. These goals will be cascaded down to each individual seller to ensure our team is focused on efforts to fill the most pressing dates at the SDCCC.

Aside from the room night goal, future events booked by the SDTA citywide sales team in FY 2025 will represent 600,000 event attendees, and \$23,000,000 in food & beverage guarantees for the Center. The teams will also be revising the current policies regarding rental discounts based on food & beverage spend. These revised policies will prioritize those events with higher revenue potential, and also provide assurances that our clients are reaching their guaranteed food & beverage expenditures at the building.

As attendance and food & beverage are the two most significant revenue drivers for the building, these benchmarks will ensure that all future booking opportunities are evaluated based on these factors, and that they remain the focus in FY 2025 as market conditions continue to evolve. Monthly sales reports will be provided to SDCCC by SDTA to track booking progress, and to ensure that all goals and guidelines are achieved by the end of the fiscal year. Additionally, goals and benchmarks will be evaluated YOY to determine they are appropriate when evaluating new business, based on changing market conditions.

Collectively, a continued focus on room nights, attendance, and convention center ancillary revenues will result in the optimal mix of business, to both maximize economic benefit for the region, and also help maintain the long-term financial viability of the Center.

CITYWIDE DEPLOYMENT

Our current deployment, as of April 2024, is outlined below, however we will constantly review options to ensure the most appropriate deployment is in place as determined by our business needs.



Senior Client Services

Director DIR: (619) 557-2875 CELL: (619) 405-6356 ggrayjohnson@sandiego.org



Director

DIR: (619) 557-2872 CELL: (619) 504-4657 jacquelines@sandiego.org



DIR: (619) 557-2852 amilardovich@sandiego.org

SUPPORT TEAM



OMAIRA GOODWIN Citywide Coordinator DIR: (619) 557-2873

ogoodwin@sandiego.org



JERVIS ARANDA Citywide Coordinator DIR: (619) 557-2883 jaranda@sandiego.org



ALICIA TURCOTTE Citywide & Client Services Coordinator

DIR: (619) 557-2870 aturcotte@sandiego.org



SDTA CITYWIDE SALES & MARKETING BUDGET

EXPENDITURES - TOTAL

Personnel Expenses		FY 2024 Budget		FY 2024 Forecast		FY 2025 Budget
Salaries & Wages	Ś	1,695,788	Ś	1,644,563	Ś	1,778,203
Paid Time Off	Ŷ	16,957	Ŷ	17,000	Ŷ	17,783
Incentive Compensation		201,341		232,682		323,908
Total Salaries & Wages	\$	1,914,086	\$	1,894,245	\$	2,119,894
Total Salaries & Wages	Ŷ	1,514,000	<u> </u>	1,004,240	<u> </u>	2,113,034
Payroll Taxes & Charges		127,412		119,694		139,425
Worker's Compensation Insurance		13,311		7,144		14,940
Retirement Program Match		72,090		67,289		79,880
Health and Life Insurance		119,207		141,943		167,003
Total Fringe Benefits	\$	332,020	\$	336,070	\$	401,248
Total Personnel Expenses	\$	2,246,106	\$	2,230,315	\$	2,521,142
Direct Expenses						
Travel & Entertainment	Ś	255,500	Ś	193,601	\$	167,050
Event Registration	1	39,655		73,225		53,275
Office Rent		31,055		31,004		2,590
Event Exhibit		23,000		23,114		23,500
Event Food and Beverage		19,000		9,355		11,500
Cell & Internet Services		14,020		13,500		13,800
Dues & Subscriptions		10,740		7,003		8,475
Parking		10,680		10,080		10,368
Event Venue & Facilities		5,000		5,000		5,000
Promotional Items		2,000		6,500		2,000
Outside Professional Services		-		6,000		6,000
Total Direct Expenses	\$	410,650	\$	378,382	\$	303,558
Total Personnel & Direct Expenses	\$	2,656,756	\$	2,608,697	\$	2,824,700
Indirect Expense Allocation		847,251		848,151		1,018,751
Total Expenses	\$	3,504,007	\$	3,456,848	\$	3,843,451

Assumptions and Notes:

- Cost of Living / Merit & Equity Pool assumption = 4%

- Chicago office lease termination July 2024



OVERVIEW OF TRAVEL, TRADESHOWS, AND SALES TRIPS

CITYWIDE AND HOTEL MEETINGS EVENTS BY MONTH:

JULY 2024

PCMA Education Conference

Detroit, MI Nancy Rosenbaum Angie Ranalli

TARGET: An education-focused event, this event rotates around the country attracting members primarily from that region.

MPI World Education Congress Lousiville, KY

AUGUST 2024

CEMA Summit

Seattle, WA Kim Borneman

TARGET: Corporate Events Marketing Assn (CEMA) is a small but influential organization of 500 corporate event strategists, mainly in the technology industry (Cisco, IBM, Microsoft, Apple, etc).

ASAE Annual Conference

Cleveland, OH Nancy Rosenbaum Joe Clifford TARGET: ASAE is the "association for associations" and this event attracts C-level positions from those groups.

Canadian Meetings + Events Expo

Toronto, Canada Dave Matta Hotel Meetings Team TARGET: Corporate and association planners from Canadian and International destinations.

SEPTEMBER 2024

Northeast Roadshow Philadelphia / New York City

Dave Matta Hotel Meetings Team TARGET: Accounts located in the Northeast, including Corporate, Intermediary and Association.

PCMA Partnership Summit

Miami, FL Angie Ranalli TARGET: The top association clients are invited to an intimate meeting of education and networking.

OCTOBER 2024

IMEX America

Dave Matta Joe Clifford Hotel Meetings Team

NOVEMBER 2024

Washington D.C. Marketplace Annual Alexandria, MD Nancy Rosenbaum TARGET: Our signature client event in Washington D.C. that attracts top clients from the association community from D.C., MD, and VA.

DECEMBER 2024

Association Forum Holiday Showcase & Annual Butch McGuire's Holiday Breakfast Chicago, IL Joe Clifford

TARGET: One of our SDTA Signature Events in Chicago, that attracts the top Association, Intermediary and Corporate planners from the area.

IAEE Expo! Expo!

TARGET: The leading authorities in B2B exhibits industry.

JANUARY 2025

PCMA Convening Leaders Annual Meeting

Houston, TX Angie Ranalli Dave Matta Nancy Rosenbaum Joe Clifford

TARGET: PCMA has more than 7,000 members and an audience of more than 50,000 individuals, PCMA is the world's largest network of Business Events Strategists. Our entire team attends the event due to the attendance from all over the country. ** The SDCCC will host this event in 2024.

Farmer's Insurance Open FAM Event

San Diego, CA Angie Ranalli Dave Matta Nancy Rosenbaum Joe Clifford Kim Borneman

MARCH 2025

Destination International & PCMA Business Events Industry Week Washington D.C.

Angie Ranalli Nancy Rosenbaum

Experiential Marketing Summit

Las Vegas, NV Kim Borneman TARGET: This event attracts the top planners from around the country to award their peers and raise money for the PCMA Foundation that attracts top clients from the association community from D.C., MD, and VA.

MPI NCC Annual Conference & Expo

San Francisco, CA TARGET: Meeting Planners International Northern California Chapter is an event that attracts the companies and planners in this key market.

APRIL 2025

Annual Cubs Opener Client Event

Angie Ranalli Joe Clifford TARGET: A SDTA Signature Event that attracts 100-150 Association, Corporate and Intermediary planners to watch the important opening game of the Cubs baseball season.

MAY 2025

Visit California Roadshow Events

Chicago & Washington D.C. Angie Ranalli Nancy Rosenbaum Joe Clifford

JUNE 2025

Conference Direct Annual Meeting

Location TBD TARGET: CD is one of the top producing Intermediaries, the entire CD team from around the country attend this event.

SUMMARY OF IN-MARKET MEETINGS, RECEPTIONS, EVENTS:

CHICAGO MARKETPLACE

GMC-PCMA

- Quarterly Education Meetings
- Annual Awards Gala
- Chapter Reception at PCMA Convening Leaders

Destination Rep Quarterly Meetings @ ABA, ADA, SmithBucklin

Association Forum

- CEO Reception
- Educational Meetings
- Annual Gala

MPI Great Lakes

Education Summit

MPI CAC

WASHINGTON DC/VA/MD MARKETPLACE

Ongoing

Sales calls and presentations

Experient; IMN and Smith Bucklin

Presentations once per year, usually in November

PCMA (Potomac and Chesapeake Chapters)

- Chapter reception at annual meeting
- Quarterly chapter meetings and receptions and special events
- · Chapter's annual meeting in November
- Chapter committee meetings
- National Committee task force meetings

ASAE

- Quarterly education meetings and/or networking receptions
- Summit Awards Dinner, September

• Quarterly Education Events

SITE

Chicago receptions

AHA Annual Vendor Meeting

Annual SmithBucklin Vendor Meeting

SWAP Client Events

Sales Missions / Road Shows

AMP's (Association of Meeting Professionals)

Monthly education programs and receptions

MPI

Monthly chapter education programs and luncheons

IAEE

• Monthly chapter education and networking luncheons

CVB Reps

- Bi-monthly meetings and receptions
- Summer client reception
- Holiday client reception

Reston/Herndon Meeting Planners

• Yearly presentation at breakfast or lunch

NEW MARKET DEVELOPMENT / Dallas, Denver, Minneapolis, San Francisco, Boston

Sales Missions / Road Shows & Client Events One event per market.



CONTACT: Andy Mikschl, Executive Vice President, Sales, San Diego Convention Center Andy.mikschl@visitsandiego.com | 111 West Harbor Dr., San Diego, CA 92101 619.525.5282

SHORT TERM BOOKING ACTIVITY

Conventions, Corporate Events, Consumer Shows, Community Events, & Local Meetings

		FY24 MAY 24	FY23 MAY 23	CUMULATIVE FYTD 2024	CUMULATIVE FYTD 2023
DEF	EVENTS	5	1	40	39
DEFINITE	ATTENDANCE	12,600	5,000	193,787	100,219
m	ROOM NIGHTS	2,165	0	21,422	11,588
	RENTAL REVENUE	\$183,245	\$7,700	\$1,520,505	\$1,243,550

FY24 PERCENT TO GOAL

Convention Center Rental Revenue

	GOAL	YTD	PERCENT TO GOAL
CONTRACTED RENTAL REVENUE	\$1,500,000	\$1,520,505	101.4%

CONTRACTED SHORT TERM EVENTS/ MAY 2024

EVENT NAME	EVENT DATES	PROJECTED ATTENDANCE	PEAK ROOMS	ROOM NIGHTS	RENTAL
John S. Lyons Memorial Dinner	09/13/24	400	0	0	\$5,600
San Diego County Office of Education Meeting	12/19/24	1,200	0	0	\$17,100
Healthcare Facilites Symposium & Expo 2025	09/23/25	2,500	535	1,415	\$39,845
Anime 619	11/21/25	7,500	0	0	\$41,800
BPI West 2026	03/08/26	1,000	250	750	\$78,900
TOTAL		12,600		2,165	\$183,245

CONTRACTED SHORT TERM EVENTS/ FY24 YTD

EVENT NAME	EVENT DATES	PROJECTED ATTENDANCE	PEAK ROOMS	ROOM NIGHTS	RENTAL
IEEE PES Grid Edge 2025	01/19/25	2,500	850	3,125	\$103,500
IWRP Industry Day 2024	06/24/24	300	0	0	\$9,300
The ASU + GSV Air Show 2024	04/12/24	5,000	0	0	\$65,700
X-STEM Workshops San Diego 2024	09/12/24	900	0	0	\$6,000
Brick Fest Live San Diego 2024	08/22/24	8,000	0	0	\$36,200
National Provider Enrollment Conference 2024	08/27/24	975	35	175	\$15,000
Social Media Marketing World 2025	03/29/25	2,500	400	1,200	\$55,800
Navy Gold Coast Small Business Opportunity Conference	08/18/24	2,000	0	0	\$77,800
San Diego International Auto Show 2023	12/29/23	100,000	200	800	\$194,400
West Coast Conference Cheer & Dance 2023	10/29/23	2,500	0	0	\$10,400
AGWest Board Meeting & LAC Orientation	02/07/24	100	350	800	\$6,600
LSX RNA Leaders USA Congress 2024	09/04/24	600	150	300	\$20,790
Sharp Healthcare All-Staff Assembly	11/19/24	12,000	0	0	\$76,250
JOGS San Diego Gem & Jewelry Show	10/28/24	2,000	80	312	\$66,640
The IR Show Winter 2025	01/22/25	750	250	750	\$49,800
San Diego Home Fall Show 2024	08/24/24	5,000	0	0	\$15,400
Proofpoint Sales Kickoff 2024	01/15/24	1,400	1,400	5,545	\$47,250
General Mills, Inc. icw/ UNFI	02/07/24	12	0	0	\$1,200
LSX Induced Proximity Leaders Conference 2024	06/23/24	250	0	0	\$12,600
Bridal Bazaar Fall 2024	09/14/24	2,000	0	0	\$13,400

CONTRACTED SHORT TERM EVENTS/ FY24 YTD (cont.)

EVENT NAME	EVENT DATES	PROJECTED ATTENDANCE	PEAK ROOMS	ROOM NIGHTS	RENTAL
Art San Diego 2024	10/29/24	5,000	0	0	\$26,950
Tonights Conservation: Live & UNCUT	04/11/24	2,500	20	20	\$8,250
San Diego Home Show - Spring 2025	01/10/25	5,000	0	0	\$17,280
UNFI Spring & Summer Show 2025	01/19/25	2,500	750	1,800	\$100,400
United States University Commencement 2024	09/12/24	4,000	25	50	\$11,300
Revolution Talent Competition 2025	02/21/25	700	0	0	\$17,000
Battle Hardened: San Diego	08/24/24	150	0	0	\$5,100
West Coast Cheer & Dance Competition	10/05/24	3,000	0	0	\$20,900
Live Well Advance Conference & School Summit	11/21/24	2,000	0	0	\$24,100
Titans of Dance Intensive	01/19/25	300	0	0	\$7,650
Festival of Biologics	04/23/25	2,000	250	750	\$68,400
Advanced Therapies Week	02/11/26	2,000	800	2,880	\$95,100
John S. Lyons Memorial Dinner	09/13/24	400	0	0	\$5,600
San Diego County Office of Education Meeting	12/19/24	1,200	0	0	\$17,100
Healthcare Facilites Symposium & Expo 2025	09/23/25	2,500	535	1,415	\$39,845
Anime 619	11/21/25	7,500	0	0	\$41,800
BPI West 2026	03/08/26	1,000	250	750	\$78,900
Yugioh! LEDE Regional Qualifier	05/11/24	500	0	0	\$5,600
Bridal Bazaar Winter 2025	01/05/25	2,000	0	0	\$11,300
The Wave	06/20/25	750	250	750	\$33,900
TOTAL		193,787		21,422	\$1,525,505

San Diego Convention Center Short Term Sales May 2024 Sales Activity Report



CITYWIDE PRIMARY MARKET

Conventions, Trade Shows, Corporate & Incentive Events

D	FUTURE YR BOOKINGS	MAY 2024	MAY 2023	MAY 2019	CUMULATIVE FY2024	CUMULATIVE FY2023	CUMULATIVE FY2019
Ŧ	CONVENTIONS	3	5	8	29	37	37
T	ATTENDANCE	15,900	23,000	51,000	311,968	274,900	309,275
mi	ROOM NIGHTS	30,519	55,428	83,098	710,326	444,266	391,576

_	FUTURE YR BOOKINGS	MAY 2024	MAY 2023	MAY 2019	CUMULATIVE FY2024	CUMULATIVE FY2023	CUMULATIVE FY2019
EAI	BOOKINGS	18	14	13	170	115	98
DS*	ATTENDANCE	120,250	41,600	95,200	1,294,988	863,430	1,272,225
	ROOM NIGHTS	236,515	111,782	144,348	2,512,078	1,349,868	1,803,390

*Citywide opportunities that entered "Lead" status in respective FY's.

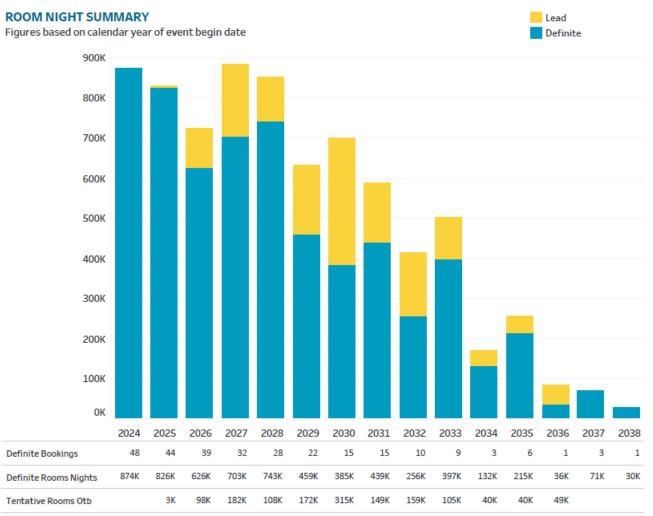
		CUMULATIVE FY2024	CUMULATIVE FY2023	CUMULATIVE FY2019
FY19	TOTAL DEFINITE ROOM NIGHTS	710,326	444,266	391,576
COMP	VARIANCE COMPARED TO FY2019	+318,750 +81%	+52,690 +13%	
PAR	TOTAL LEAD ROOM NIGHTS	2,512,078	1,349,868	1,803,390
NOSIN	VARIANCE COMPARED TO FY2019	+708,688 +39%	-453,522 -25%	

DEFINITE EVENTS BREAKDOWN

Conventions, Trade Shows, Corporate & Incentive Events booked in May 2024

Account Name	National Sales Director	Event Begin Date	Event End Date	Peak Rooms	Total Room Nights	Estimated Attendance	SDCCC ID #	SDTA ID #
VIVE Event LLC	David Matta	2/6/2028	2/9/2028	4,000	15,817	5,000	2829-65- 65-20834	1233127
Indian Gaming Association	Nancy Rosenbaum	4/13/2030	4/19/2030	2,200	7,702	7,500	2829-65- 65-14722	1233703
American Association of Immunologists	Nancy Rosenbaum	5/4/2030	5/12/2030	1,700	7,000	3,400	2829-65- 65-22050	1234031
Total				2,633 AVG	30,519	15,900		





NOTE:

- 2024 Definite Total Room Night Changes: -3,350 definite adjustments driven by Petco cancellation (-5,073 rns)
- 2025 Definite Total Room Night Changes: -1,614 definite adjustments
- 2026 Definite Total Room Night Changes: +2,273 definite increased peak and shoulder nights.
- 2027 Definite Total Room Night Changes: -7,736 definite adjustments driven by Pittcon room block adjustment to be in alignment with 2024 final pick up.
- 2028 Definite Total Room Night Changes: +15,817 new definite
- 2029 No change
- 2030 Definite Total Room Night Changes: +14,702 new definite
- 2031 2038 Definite Total Room Night Changes: No Changes

SUMMARY

The May results further solidify the Sales Strategy implemented at the beginning of FY 23 with the approval of the SDCCC and their Board of Directors. The major focus of this strategy was "quality over quantity" - to drive more sales effort filling availability in shorter-term booking windows (within five years) and pursue the most lucrative business opportunities for the building outside of the five-year window. In May:

- 15k rooms were booked into February of 2028, less than four years out, and filling a month that was far behind production of the preceding four Februarys.
- The nearly 8k rooms from Indian Gaming Assn are surrounding Easter week, a traditionally slow time for the meetings industry.

Agenda Item 5.D.1



June 2024 Strategic Plan Progress Report and Update

2024 Schedule for Reporting and Plan Updates

- March 2024: Progress Report
- June 2024: Progress Report and Update
 - Include milestones through FY25
- August 2024: Progress Report
- November 2024: Progress Report & Annual Board Review
 - $\circ\;$ Review and update Imperatives (focus areas) and Objectives with board input
 - o Determine time frame this next Strategic Plan will cover and associated KPIs



Build a thriving team, provide high-quality jobs in the community, and earn a reputation as a top workplace.

OBJECTIVES

- Stabilize workforce by offering competitive compensation, career progression opportunities, and safe working conditions.
- Strengthen management by reinforcing a culture of trust, respect, and accountability.
- Reinstitute sense of purpose, commitment, and loyalty among staff.

		Completed or on track Delayed Reprioritized
FY24 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Create talent acquisition (recruiting) program.	9/23	Completed.
Revise onboarding program.	12/23	Completed. Implement the following 3 months.
Execute all union agreement renegotiations to align with objectives.	6/24	Four CBAs expire in 6/2024. Reached tentative agreements with two unions. Still in negotiations with two unions.
Revamp safety orientation program.	6/24	On track. Implement the following 3 months.
Create employee relations program.	6/24	On track. Implement the following 3 months.
Develop performance management program.	6/24	Delayed due to business needs, slated for 10/24. New due date will appear on FY25 report.
Assemble team to develop project plan for labor management system.	9/24	Upgrade time and attendance system to better understand workforce analytics Move to FY26 due to competing priorities.
Revise leave of absence program.	6/25	Completed.





1. Grow and Nurture Culture

Build a thriving team, provide high-quality jobs in the community, and earn a reputation as a top workplace.

Completed or on track Delayed Reprioritized

FY25 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Develop performance management program.	10/24	
Create employee engagement and Diversity, Equity and Inclusion (DEI) program.	12/24	DEI is/will be woven into the newly created programs (talent acquisition, onboarding, employee relations, etc.) and in our revised employee handbook.
Build leadership training program.	3/25	Focus on Executive coaching and development while building leadership development program.
Develop succession planning program for management.	6/25	
Create and/or review job specific safety programs.	6/25	



Completed or on track Delayed Reprioritized

2. Develop a Facility Maintenance and Improvement Program

Maintain our building to continue to be a premier gathering place.

OBJECTIVES

- Reduce reactive repairs and maintenance.
- Increase capital project planning and phased asset replacement.
- Develop long-term funding plan.

FY24 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Hire Electrical & Mechanical Engineers.	1/23	Completed.
Replace the maintenance work order system.	10/23	Completed.
Hire Project Administrator.	12/23	Completed.
Hire Project Control Analyst.	1/24	Completed.
Create proactive, routine, and major maintenance plan.	4/24	
Develop work order metrics to measure workloads and timeliness.	6/24	



2. Develop a Facility Maintenance and Improvement Program

Maintain our building to continue to be a premier gathering place.

		Completed or on track Delayed Reprioritized
FY25 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Identify funding opportunities for projects	7/24	
Establish project prioritization mechanism	8/24	KPI: Track project completion timeline and deferred projects.
Solidify estimating procedure for future projects	9/24	KPI: Track original budget to project completion cost performance.
Develop procedures for project interactions with stakeholders & partners	9/24	
Develop project governance structure (stage-gate mechanism)	10/24	
Establish Change Control Board to streamline project changes	10/24	
Establish Emergency Project Control Board to mitigate unforeseen challenges	10/24	
Present Funding Strategies	11/24	
Create detailed CIP plan to cover FY25-FY35	11/24	
Conduct audit of building assets & create replacement prioritization methodology	1/25	
Update & enforce Building Procedures to reduce asset damage	3/25	KPI: BDR to recovery value
Document thorough asset maintenance (preventative & reactive) to plan for future retirements	5/25	



3. Refine Business Model to Ensure Financial Viability

Lead revenue optimization and cost management by attracting high-quality events.

OBJECTIVES

- Optimize practical occupancy with high-spending, quality room night clients, by focusing on medical conventions and corporate events.
- Generate more ancillary revenue for in-house partners.
- Implement meeting room charges and revised overall rental policies to increase gross rent revenue by 20%.
- Optimize allocation of direct event labor.

		Completed or on track Delayed Reprioritized
FY24 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Transfer responsibility to SDTA to provide economic impact figures on visitor spending.	6/24	On track. SDTA and SDCC collaborating on revising formula.
Develop and implement revised parameters regarding negotiated Food & Beverage Minimums for future events.	12/23	Completed; revised parameters introduced 9/15 and now in use.
Update liquidated damages language on Group Confirmation Agreement (GCA) to enhance protections for SDCC in situations where clients cancel their upcoming events.	12/23	Completed; revised parameters introduced 9/15 and now in use.
FY24 partner gross revenues to rebound to FY19 levels.	6/24	On track
Increase gross rental revenue booked in FY24 (for future events) by 20% compared to FY18.	6/24	On track
Complete competitive set rental study.	6/24	Completed. SDCC will conduct a future comprehensive study, including full destination package costs, to align competitive pricing model.
Implement scheduling software and event labor analytics to allow 4-hour shift work to optimize workforce resources.	12/24	On track. Delayed implementation timeline for Humanity, UKG and labor analytics provided from Finance. Target deadline 12/25.



3. Refine Business Model to Ensure Financial Viability

Lead revenue optimization and cost management by attracting high-quality events.

		Completed or on track Delayed Reprioritized
FY25 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Bolster reporting to BOD of financial health. 1) Reserve activity (ie: capital investments, revenue/expense tracking) 2) updated memo approval template	12/24	More visuals, consistent reporting for BOD packets.
Implement a dynamic pricing model to capitalize on peak demand periods while offering discounts during off-peak times.	3/25	Invest in comprehensive destination rental study. Monitor the distribution of revenue across different event types and sizes to find a baseline model target for SDTA scope of work. Evaluate the effectiveness of discounts and promotions in driving bookings during low-demand periods.
Integrate Momentus (SDCCC Event Management Software) and Simpleview (SDTA Client Resource Management Software) data to reduce redundancies and allow for greater efficiencies with the sales process and reporting.	3/25	Enhance data sharing efficiency through technology integration, ensuring alignment of data points with external stakeholders.
Identify funding sources to support Capital and Operational investments in the short- term and long-term with implementation plan and connections/resources needed	4/25	KPI: Measure projects funded by outside sources
Optimize partner revenue contracts to incentivize performance through innovative business model strategy and services offered to clients.	6/25	Increase digital conventions footprint, booth cleaning revenue, telecom services, rigging contracts, use of concession C and FedEx location.
Executed contract and development of marshalling yard property with management services of the yard	12/25	In progress; contract expiration 3/25. Stretch goal: Offset land lease with subleased rental income.
Implement more targeted and strategic short-term sales model, to include detailed revenue & P/L analysis of future booking opportunities.	12/25	Growth in YOY short term revenues, with no significant increase in total number of events booked at the Center.



4. Engage the Community

Strengthen relationships and enhance understanding of our economic and community impact.

OBJECTIVES

- Effectively communicate the San Diego Convention Center purpose as an economic driver and premier gathering place.
- Educate key stakeholders on the value of outside visitor spending that grows the region, alleviates taxpayer burden, and contributes to a thriving downtown.
- Strengthen relationships with community organizations, educational institutions, and industry partners to support shared success.
- Build understanding of the need to invest in our future, and the value of this investment.

		Completed or on track Delayed Reprioritized
FY24 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Implement digital asset management system to streamline sharing of photo and video assets with media, clients, and partners.	10/23	Completed implementation of the Canto system for photos and videos. Trained Sales and Event Managers on the system; continuing staff training.
Achieve social media engagement growth of at least 10% each year.	6/24	On track.
Earn positive coverage with at least 25 major media stories each year.	6/24	Goal met with more than 30 major media stories on SDCC to-date. Stories have focused on our economic impact, team, and positioning.
Participate in at least 12 presentations or panel discussions each year.	6/24	Goal met with more than 20 presentations completed this fiscal year.
Lead or participate in at least 12 collaborative activities each year (e.g., donation drives, volunteer efforts, community events).	6/24	Goal met. Together with business partners, participated in 17 community activities and in-kind donation efforts this fiscal year.
Achieve purpose-driven involvement with >50% of Leadership staff participating in civic/community/industry organizations to support our communications objectives.	6/24	On track.
Light the Sails Pavilion in support of at least 48 community efforts or awareness days.	6/24	Goal met. Sails lit for more than 50 community efforts and awareness days.



4. Engage the Community

Strengthen relationships and enhance understanding of our economic and community impact.

		Completed or on track Delayed Reprioritized
FY25 KPIS/MILESTONES	GOAL DATE	STATUS NOTES
Update and expand on communications plans associated with capital improvements to maintain coordination with all key audiences (local audiences, customers, staff, and partners).	9/24	Added for FY25
To support consistent communications, finish training internal teams to use Canto (digital asset management system) for images, videos, and brand materials.	12/24	Builds on implementation of Canto in FY24.
Earn national and regional coverage with at least 30 positive media stories showcasing our premier gathering place and team.	6/25	Increased goal for FY25.
Reach community members and stakeholders through at least 15 speaking engagements (e.g., presentations, tours, panel discussions).	6/25	Increased goal for FY25.
Lead or participate in at least 15 community-focused activities (e.g., student tours, donation drives, volunteer efforts).	6/25	Increased goal for FY25.
Achieve purpose-driven involvement with >50% of Leadership staff participating in civic/community/industry organizations to support our communication objectives.	6/25	Maintained goal for FY25.
Light the Sails Pavilion in support of at least 50 community efforts or awareness days.	6/25	Increased goal for FY25.
Assess feasibility and marketability of offering aerial photography/videography as a client service in addition to using it for communications purposes.	6/25	Added for FY25.



Strategic Plan Progress Report and Update Presentation

June 2024

PURPOSE Serve as the region's premier gathering place, hosting conventions that create economic benefit and jobs for the San Diego region paid for by outside visitors to the destination.



Imperatives (Focus Areas)

- Grow and Nurture Culture
- Develop a Facility Maintenance and Improvement Program
- **Refine Business Model to Ensure Financial Viability**
- Engage the Community

Grow and Nurture Culture

Build a thriving team, provide highquality jobs in the community, and earn a reputation as a top workplace.



Objectives

- Stabilize workforce by offering competitive compensation, career progression opportunities, and safe working conditions.
 - Strengthen management by reinforcing a culture of trust, respect, and accountability.
- Reinstitute sense of purpose, commitment, and loyalty among staff.



Human Resources Department People-focused. Purpose-driven.

Human Resources: Past, Present & Future



Initiatives: FY26

Benefits, Compensation & Wellness

Initiatives: FY25

Performance Review, Employee Engagement & DEI, Leadership (includes Executive Coaching), Safety (Position Specific) & Succession Planning

Initiatives: FY24

Talent Acquisition, "Sprit" Onboarding, Safety Onboarding, Employee Relations & Leave of Absence

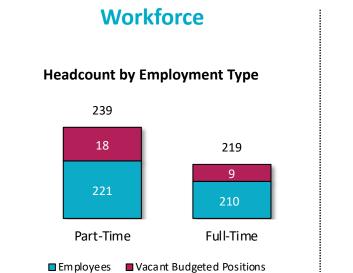
Infrastructure: FY23

Hired & reorganized roles of team, SWOT, analytics, HR specific mission statement, relocated team to high traffic area, HR tagline & employee value proposition

Key Performance Indicators (KPIs)

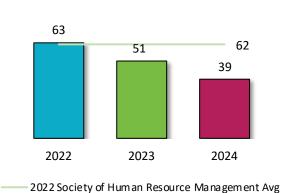


Human Resources Department People-focused. Purpose-driven.



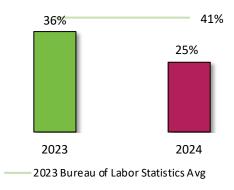
Talent Management

Time to Fill in Days



Retention





Develop a Facility Maintenance and Improvement Program

Maintain our building to continue to be a premier gathering place.



Objectives

Reduce reactive repairs and maintenance.

- Increase capital project planning and phased asset replacement.
- Develop long-term funding plan.

Evolution of Engineering & Capital Projects

Inception through Current State

Initial Planning & Vision	2022 Year 1	 12/21 Hired Victoria as Director of Planning and Development 04/22 Promoted Corey to Chief Operating Officer 04/22 Hired Project Engineer (Civil) 05/22 Facility Condition Assessment Completed 10/22 Formally Created Engineering and Capital Projects Department
Core Team Recruitment & Formation	2023 Year 2	 03/23 Hired 3 Maintenance Supervisors 03/23 Hired Procurement Analyst (to support increase in volume/complexity of projects) 06/23 Hired Mechanical Engineer 06/23 Hired Procurement Analyst (to support increase in volume/complexity of projects) 07/23 Hired Electrical Engineer 12/23 Hired Project Administrator 12/23 Contracted for Digitizing of Building Drawings (Ongoing)
Foundational Initiatives & Procedure Development	2024 Year 3	02/24 Hired Project Control Analyst 03/24 Implemented New Work Order System (CMMS) 06/24 Hired Engineering Manager
Team Expansion & Process Optimization	2025 Year 4	
Full Maturity & Continuous Improvement	2026 Year 5	

Evolution of Engineering & Capital Projects

Future State (through FY25)

Initial Planning & Vision	2022 Year 1	
Core Team Recruitment & Formation	2023 Year 2	
Foundational Initiatives & Procedure Development	2024 Year 3	 07/24 Identify Funding Opportunities for CIP 08/24 Establish Project Prioritization Mechanism 09/24 Standardize Estimating Procedures for Upcoming Projects 09/24 Standardize Communication and Collaboration Procedures with Stakeholders and Partners 10/24 Develop Project Governance Structure Using a Stage-Gate Mechanism 10/24 Establish a Change Control Board to Centralize and Streamline Project Changes 10/24 Establish an Emergency Project Control Board to Manage Unforeseen Challenges and Urgent Operational Needs 11/24 Discuss Funding Strategies for CIP 11/24 Create Detailed CIP Plan Covering FY25-FY35
Team Expansion & Process Optimization	2025 Year 4	 01/25 Audit Building Assets and Establish Replacement Priorities 03/25 Update and Enforce Building Regulations and Procedures to Reduce Asset Damage 05/25 Establish Comprehensive Procedures for Asset Maintenance Activities, Including Preventative and Reactive Measures, to Strategically Prepare for Future Asset Retirements
Full Maturity & Continuous Improvement	2026 Year 5	

Refine Business Model to Ensure Financial Viability

Lead revenue optimization and cost management by attracting high-quality events.

Objectives

 Optimize practical occupancy with high-spending, quality room night clients, by focusing on medical conventions and corporate events.

- Generate more ancillary revenue for in-house partners.
- Implement meeting room charges and revised overall rental policies to increase gross rent revenue by 20%.
 Optimize allocation of direct event labor.

Sales Strategy Change Comparison

Definite Date

7/1/2017 to 6/3/2019

Dieg		te date filter t	to last day of	FY to see forw	ard view as o	f FY close.					/1/2017 to 6/	(3)2019		Diego		ite date filter	to last day of
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Grand Total		Jan	Feb	Mar
2019			4,507						19,517	0	12,625	4,352	41,001	2023			
2020	20	4,090											4,110				<u> </u>
2021							634	3,758	1,605		400	4,699	11,096	2024	4,078		
2022		6,426	5,199	40,257	1,860	17,647	16,589	15,049	3,455	6,936			113,418	2025		4,224	0
2023		11,683	16,694	4,467		18,858	9,577	20,708	18,513				100,500	2026	50,961	4,224	11,614
2024		21,379	4,744							42,341	24,705		93,169	2026	20,901	4,224	11,014
2025	25,207	91				36,920	12,870			432	12,133		87,653	2027		15,664	3,465
2026	660	28,638	19,433			30,380							79,111	2028	7,546	28,957	66,150
2027	20,328								20,955	2,865	5,380		49,528				
2028					20,450					22,900	35,770		79,120	2029	7,546		
2029							84	14,674	27,780	47,475	250		90,263	2030	8,200		
2030						49,790					24,785		74,575	2024	0.120		17.040
2031					55,058	16				23,450			78,524	2031	8,120		17,348
2032										26,818			26,818	2032	16,120		
2033										63,046	543		63,589	2033			
2034					49,400					37,064			86,464	-			
2035										29,614			29,614	2035			57,625

Position Report AS OF Definite Year

Position Report AS OF Definite Year Edit definite date filter to last day of FY to see forward view as of FY close. Definite Date 7/1/2022 to 6/3/2024

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Grand Total
			3,761								4,708	8,469
4,078			15,130	1,843			19,637	31,722	3,549			75,959
	4,224	0	23,999	4,587		9,374	514	18,348	27,199			88,245
50,961	4,224	11,614	18,363	36,749	3,455	1,689	5,237			23,929		156,221
	15,664	3,465			34,527	1,000	4,337	1,681	25,125			85,799
7,546	28,957	66,150	11,308		9,324	2,865	23,319		40,478	25,703		215,650
7,546			8,100		21,110	11,165	23,122	99				71,142
8,200			7,702	7,000	52,454							75,356
8,120		17,348				96	24,301			0	122,400	172,265
16,120				18,625	34,720				12,320			81,785
				20,500	50,000	6,032	18,367			8,100	144,900	247,899
		57,625				17,689	6,710					82,024
	4,078 50,961 7,546 7,546 8,200 8,120	4,078 4,078 4,224 50,961 4,224 10,064 7,546 8,200 8,120	Image: Marcine and Series Image: Marcine and Series 4,078 4,224 0 50,961 4,224 11,614 50,961 4,224 11,614 50,961 15,664 3,465 7,546 28,957 66,150 7,546 28,957 17,348 8,200 10,121 17,348 16,120 21,021 17,348 16,120 10,121 10,121	Image: series of the	Image: series of the	Image: series of the series	Image: series of the series	Image: series of the series	1 + 1 + 1 + 1 + 1 + 1 + 1 + 1 + 1 + 1 +	Image: style s	Image: series of the series	And And And And And And And And And And And And And And And And

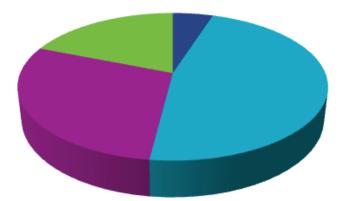
Pre-Pandemic Sales Strategy

FY19 Goal: 900,000 Room Nights

Selling within 16 years (2035)

18 mo5 years:	56K room nights	5%
5-10 years:	474K room nights	47%
10-15 years:	322K room nights	29%
15+ years:	206K room nights	19%
Total	= 1,058,000 rooms booked	

Pre-Pandemic



- 18 mo.-5 years: 56K room nights
- 5-10 years: 474K room nights
- 10-15 years: 322K room nights
- 15+ years: 206K room nights

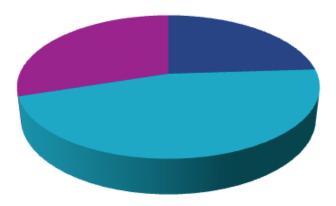
New Sales Strategy

FY25 Goal: 650,000 Room Nights

Selling within a 10-year timeframe while strategically filling gaps over the next 5 years to optimize a specific type of business.

Total	= 1,361,000 rooms booked (29% more)	
13+ years:	None-not booking that far	0%
10-12 years:	412K room nights	30%
5-10 years:	620K room nights	46%
18 mo5 years:	329K room nights	24%

New



- 18 mo.-5 years: 329K room nights
- 5-10 years: 620K room nights
- 10-12 years: 412K room nights
- 13+ years: None-not booking that far

High-Level Comparison of Two Important Events

Event Type		Convention Trade					Corporate Event				
Total Room Nights		60,960					47,497				
Peak Room Nights		15,000				10,000					
Total Event Days		5					5				
Total Tax Contribution	\$	3,270,313				\$	1,713,208				
Direct Attendee Spending	\$	88,157,000			Ş	5	40,592,440				
Total Regional Impact	\$	149,000,000			Ş	5	69,000,000				
Attendance		135,000					28,000				
-											
Revenues	Gro			CC Portion		ros			CC Portion		
Building Rent	\$	553,200	\$	162,950	ç	5	665,425	\$	61,800		
F&B Revenue/Commissions		1,523,150		404,802			8,896,948		3,195,729		
Event Services:		246,240		215,647			220,938		220,938		
Utilities		664,143		240,918			2,067,396		768,311		
Telecomm		515,031		252,365			151,835		74,399		
A/V & Rigging		141,828		46,332			502,195		130,305		
Digital Signage/Sponsorship		10,000		10,000			12,600		12,600		
Allocated - Rev (ATM/FedEx)		22,604		22,604			8,249		8,249		
Total Revenues	\$	3,676,196	\$	1,355,618	Ś	5	12,525,586	\$	4,472,331		
Total Direct Expenses			\$	674,164				\$	574,108		
Gross Profit/Loss (Direct Expenses)			\$	681,454				\$	3,898,223		
(-) Indirect Allocated Overhead			\$	(702,147)				\$	(1,357,778)		
Total Operational Profit/Loss			\$	(20,693)				\$	2,540,445		

Engage the Community

Strengthen relationships and enhance understanding of our economic and community impact.

Objectives

- Effectively communicate the San Diego Convention Center purpose as an economic driver and premier gathering place.
- Educate key stakeholders on the value of outside visitor spending that grows the region, alleviates taxpayer burden, and contributes to a thriving downtown.
- Strengthen relationships with community organizations, educational institutions, and industry partners to support shared success.
- Build understanding of the need to invest in our future, and the value of this investment.

FY24 Social & Digital Media

- Share stories & messaging through video
 - \circ Events and their economic impact
 - e.g., ASH, AACR, Comic-Con
 - Global Meetings Industry Day
 - ${\rm \circ}$ Scale and beauty of our location
 - Aerial photos and videos

 \odot Employee appreciation & recognition

- Prioritize LinkedIn, Instagram, and YouTube while experimenting with newer platforms
- Develop creative approaches that set us apart
- Empower colleagues to share photos & videos

 Canto Implementation





FY24 Press Coverage

TwitchCon's thousands of gamers returning to San Diego this year — plus four more years

Comic-Con is San Diego's Super Bowl when it comes to \$ for the local economy

Tens of thousands of Comic-Con fans are in town to get the latest in pop culture



San Diego Shows Off Its Many Lures During PCMA Convening Leaders

San Diego expects \$14.3 million tourism boost as convention organizers come to city



RUSINESS

Comic-con fans excited despite the strikes, businesses are booming

Downtown Bayside Park Gets Replacement Trees Donated By Convention Group

The American Thoracic Society and AstraZeneca chip in to plant saplings at Embarcadero Marina Park North

PCMA Convening Leaders 2024 Breaks Attendance Records

Cvent Announces Top Meeting Destinations and Hotels Worldwide for 2024 Here's how San Diego's convention center stacks up against U.S. competitors

The San Diego Union-Tribune

est conv	WS.				
Ranking	Name	Location	Overall score	Space, amenities and convenience	City and surroundings
1	Las Vegas Convention Center	Las Vegas	80	2	21
2	McCormick Place	Chicago	76	1	27
3	The Venetian Convention & Expo Center	Las Vegas	72	З	26
4	San Diego Convention Center	San Diego	63	8	1

FY24 Community Relations







San Diego Convention Center O November 14, 2023 · 🕄

We're glowing Padres gold tonight and tomorrow night in memory of Peter Seidler.

We honor Peter for his leadership as Chairman and Owner of the San Diego Padres, his compassion for others, his love for San Diego, and so much more. Thank you, Peter.



See insights

Boost a post

...

FY25 Focus

- Increased focus on communications related to capital improvements at SDCC and in surrounding areas.
- Increased targets for earned media coverage, public presentations, and community volunteering.
- Greater emphasis on creative approaches to video content to increase views and engagement.
- Build on Canto (digital asset management) implementation through additional training of staff and business partners.
- Support leadership involvement in community and industry organizations.





Future Plan Reports and Updates

August 2024: Progress Report

November 2024: Progress Report & Annual Board Review

Review and update Imperatives and Objectives with board input

 Determine time frame this next Strategic Plan will cover and associated KPIs

