

Convention Facilities

Department

Team San José, Contractor

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T*o ensure that San José's Convention Center and Cultural Facilities are effectively managed to reduce costs, improve the local economy, and add value to customers, residents, workers, and businesses within the City of San José*

City Service Area

Community and Economic Development

Core Services

Convention Facilities

To provide facilities and services that attract conventions and events that contribute to the City's economy

Convention Facilities Department

Department Budget Summary

	2007-2008 Actual 1	2008-2009 Adopted 2	2009-2010 Forecast 3	2009-2010 Proposed 4	% Change (2 to 4)
Dollars by Core Service					
Convention Facilities	\$ 13,108,009	\$ 14,900,983	\$ 24,782,163	\$ 21,902,307	47.0%
Total	\$ 13,108,009	\$ 14,900,983	\$ 24,782,163	\$ 21,902,307	47.0%
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 6,502,283	\$ 7,482,805	\$ 7,807,686	\$ 4,927,830	(34.1%)
Overtime	247,738	223,343	223,343	223,343	0.0%
Subtotal	\$ 6,750,021	\$ 7,706,148	\$ 8,031,029	\$ 5,151,173	(33.2%)
Non-Personal/Equipment					
Total	\$ 6,357,988	\$ 7,194,835	\$ 16,751,134	\$ 16,751,134	132.8%
Dollars by Fund					
Conv & Cultural Affairs	\$ 13,108,009	\$ 14,900,983	\$ 24,782,163	\$ 21,902,307	47.0%
Total	\$ 13,108,009	\$ 14,900,983	\$ 24,782,163	\$ 21,902,307	47.0%
Authorized Positions	85.75	85.75	85.75	56.00	(34.7%)

Convention Facilities Department

Budget Reconciliation

(2008-2009 Adopted to 2009-2010 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2008-2009):	85.75	14,900,983
<hr/> Base Adjustments <hr/>		
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes and the following position reallocations:		324,881
- 1.0 Senior Office Specialist to Staff Specialist		
- 1.0 Staff Specialist to Maintenance Worker		
• Expenses associated with shifting food and beverage services at the various convention facilities in-house (offset by revenue)		4,196,376
• Changes in Team San José administrative and operating salaries		1,941,011
• Changes in variable labor costs		1,355,596
• Expenses associated with ticketing services (offset by revenue)		1,281,960
• Changes to professional services costs		479,404
• Changes in merchandise, advertising, and sponsorship costs		462,150
• Changes in postage, office supplies, telephone, and meeting costs		200,545
• Changes in computer maintenance and supplies costs		86,446
• Changes in bank charges		57,746
• Various adjustments to Team San José operational expenses		(173,162)
• Changes in operating supplies costs		(12,570)
• Changes in repair and maintenance costs		(5,696)
• Changes in gas, electricity, and water costs		(313,507)
Technical Adjustments Subtotal:	0.00	9,881,180
2009-2010 Forecast Base Budget:	85.75	24,782,163
<hr/> Budget Proposals Recommended <hr/>		
1. Convention Facilities Staffing Right-Sizing	(29.75)	(2,879,856)
Total Budget Proposals Recommended	(29.75)	(2,879,856)
2009-2010 Proposed Budget Total	56.00	21,902,307

Convention Facilities Department

Budget Changes By Department

Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Convention Facilities Staffing Right-Sizing	(29.75)	(2,879,856)	0

Community and Economic Development CSA
Convention Facilities

This proposal eliminates 29.75 positions in the Convention Facilities Department; 14 of which are currently filled and 15.75 of which are vacant. Based on the most recent projections for Transient Occupancy Tax (TOT) receipts, which supports these operations and activity at the convention facilities, reductions to operating expenses are required in order to maintain sufficient fund balance in the Convention and Cultural Affairs Fund through the proposed Convention Center expansion period. Even with these reductions, additional savings will need to be identified in this fund to maintain alignment with the Plan of Finance for this project, which was approved by the City Council in January 2009. It is anticipated that a revised Plan of Finance, Source and Use of Funds Statement, and performance data chart will be brought forward for City Council consideration later in the 2009-2010 Proposed Budget process. The positions recommended for elimination in this proposal are as follows:

Filled Positions - 2.0 Building Management Administrators, 2.0 Facility Sound and Light Technicians, 1.0 Senior Account Clerk, 4.0 Senior Events Coordinators, 1.0 Senior Facility Repair Worker, 2.0 Senior Facility Sound and Light Technicians, and 2.0 Staff Specialists
Vacant Positions - 1.0 Air Conditioning Mechanic, 1.0 Facility Attendant, 0.75 Facility Sound and Light Technician, 4.0 Maintenance Workers, 1.0 Security Officer, 1.0 Senior Electrician, 1.0 Senior Facility Attendant, 1.0 Senior Facility Repair Worker, 1.0 Senior Office Specialist, 1.0 Senior Security Officer, 1.0 Supervisor of Facilities, 1.0 Trades Supervisor, and 1.0 Warehouse Worker (Ongoing savings: \$3,017,360)

Performance Results:

This action should have minimal impact on the quality of events for customers as the proposed reductions align with anticipated reductions to activity at the convention facilities. In the event that activity levels increase, Team San José has the ability to quickly react through usage of contract labor.

2009-2010 Proposed Budget Changes Total	(29.75)	(2,879,856)	0
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Convention Facilities Department

Departmental Position Detail

Position	2008-2009 Adopted	2009-2010 Proposed	Change
Air Conditioning Mechanic	3.00	2.00	(1.00)
Building Management Administrator	2.00	0.00	(2.00)
Custodian	6.00	6.00	-
Electrician	2.00	2.00	-
Facility Attendant	24.00	23.00	(1.00)
Facility Repair Worker	4.00	4.00	-
Facility Sound & Light Technician	2.75	0.00	(2.75)
Maintenance Worker II	3.00	0.00	(3.00)
Security Officer	10.00	9.00	(1.00)
Senior Account Clerk	1.00	0.00	(1.00)
Senior Air Conditioning Mechanic	1.00	1.00	-
Senior Custodian	1.00	1.00	-
Senior Electrician	1.00	0.00	(1.00)
Senior Events Coordinator	4.00	0.00	(4.00)
Senior Facility Attendant	6.00	5.00	(1.00)
Senior Facility Repair Worker	2.00	0.00	(2.00)
Senior Facility Sound and Light Technician	2.00	0.00	(2.00)
Senior Office Specialist	2.00	0.00	(2.00)
Senior Security Officer	2.00	1.00	(1.00)
Staff Specialist	2.00	0.00	(2.00)
Supervisor of Facilities	3.00	2.00	(1.00)
Trades Supervisor	1.00	0.00	(1.00)
Warehouse Worker	1.00	0.00	(1.00)
Total Positions	85.75	56.00	(29.75)

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