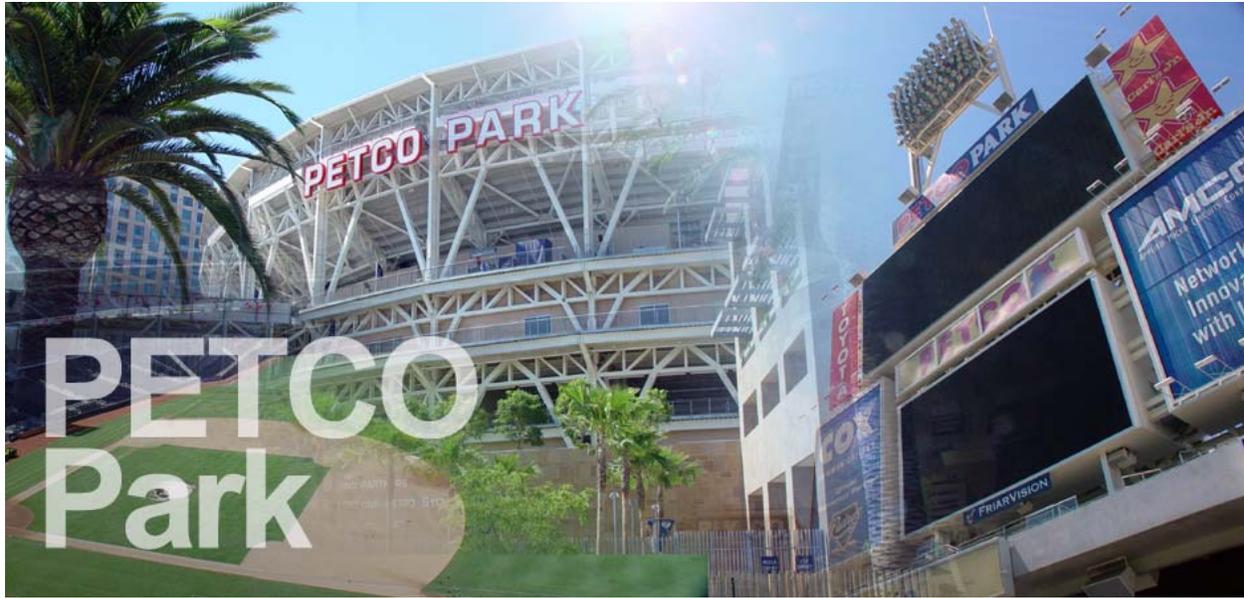


PETCO Park



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Description

The PETCO Park administrator has the role of monitoring and maintaining the personal and fiscal relationship between the City and the San Diego Padres Major League Baseball team. Management is also responsible for ensuring that both the City and the San Diego Padres comply with the contractual agreements set forth in the Joint Use and Management Agreement (JUMA) and the Indenture. It should be noted that the Padres' fiscal year starts November 1st, marking the beginning of its reporting period to the City.

In May 2012, the City Council approved a proposal to change the share of the City's revenues from non-baseball events from 70 percent City/30 percent Padres to 70 percent Padres/30 percent City. This change provides an incentive for the Padres to conduct more special events, and therefore, generate more revenue for the City. In exchange for the higher split, the Padres guarantee that the City will receive a guaranteed minimum of \$300,000 in special event revenue annually, adjusted upward by the Consumer Price Index (CPI). Additionally, instead of making a \$250,000 annual deposit into the Ballpark Capital Expenditure Reserve Fund, the Padres also agreed to make at least \$1.0 million per year average in capital improvements to Petco Park. The approximately \$962,000 residual remaining in the reserve fund will be accumulating interest and returned to the Padres at lease expiration, unless needed by the City for deferred maintenance. The Padres spent \$5,366,000 in Fiscal Year 2014 for a state-of-the-art audio system, Park at the Park video board, new concourse flooring, and other capital expenses. They plan to spend over \$13 million for a new LED scoreboard/videoboard, control room, left field seating, metal detectors, and other improvements by the end of their Fiscal Year (Oct 31, 2015).

During the City Fiscal Year 2015, Special Event Revenue continued to increase. Although the Petco Park Fund budgets the guaranteed minimum revenue, the actual Special Event Revenue was \$818,336 through November 2014 (or almost \$500,000 more than the guaranty). This is \$212,000 more than the \$605,810 produced in Fiscal Year 2013. The success in getting the Paul McCartney Concert in September alone produced over \$421,000 in net revenue to the City. The Rock 'n' Roll Marathon, Monster Truck Jams, Motocross, Holiday Wonderland and other events should produce significant additional revenue and also help local businesses enjoy substantial new revenue.

The City expects the Special Event Revenue to continue to increase over the coming years due to both a continuing economic recovery and the continued efforts being made by the Padres Sales and Marketing staff at PETCO. Events currently scheduled for City Fiscal Year 2016 are a Taylor Swift Concert, three Comic-Con events, and other events.



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Department Summary

	FY2014 Actual	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
FTE Positions (Budgeted)	1.00	1.00	1.00	0.00
Personnel Expenditures	\$ 141,845	\$ 139,498	\$ 143,665	\$ 4,167
Non-Personnel Expenditures	16,910,569	17,403,344	15,910,105	(1,493,239)
Total Department Expenditures	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770	\$ (1,489,072)
Total Department Revenue	\$ 16,840,599	\$ 15,723,720	\$ 15,207,773	\$ (515,947)

PETCO Park Fund

Department Expenditures

	FY2014 Actual	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
PETCO Park	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770	\$ (1,489,072)
Total	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770	\$ (1,489,072)

Department Personnel

	FY2014 Budget	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
PETCO Park	1.00	1.00	1.00	0.00
Total	1.00	1.00	1.00	0.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Joint Ballpark Operating Expense Addition of non-personnel expenditures related to the joint ballpark operating expense per contractual agreement.	0.00	\$ 12,952	\$ -
Salary and Benefit Adjustments Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.	0.00	4,167	-
Equipment/Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00	1,740	-
Landscape Maintenance Adjustment to reflect the addition of non-personnel expenditures for landscape maintenance around PETCO Park.	0.00	1,120	-
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	(8,551)	-

PETCO Park

Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
One-Time Reductions and Annualizations Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2015.	0.00	(100,500)	-
Reduction of Debt Service Payments Reduction of non-personnel expenditures for debt service payments due to bond refunding.	0.00	(1,400,000)	-
Revised Revenue Adjustment to reflect Fiscal Year 2016 revenue projections.	0.00	-	729
Transfer from Transient Occupancy Tax Fund Reduction of revenue to reflect a decrease in the transfer from the Transient Occupancy Tax (TOT) Fund to support PETCO Park operations.	0.00	-	(516,676)
Total	0.00	\$ (1,489,072)	\$ (515,947)

Expenditures by Category

	FY2014 Actual	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
PERSONNEL				
Personnel Cost	\$ 114,091	\$ 114,998	\$ 114,998	\$ -
Fringe Benefits	27,754	24,500	28,667	4,167
PERSONNEL SUBTOTAL	141,845	139,498	143,665	4,167
NON-PERSONNEL				
Supplies	\$ 562	\$ 5,890	\$ 5,890	\$ -
Contracts	5,453,961	5,932,192	5,845,764	(86,428)
Information Technology	2,479	1,083	2,823	1,740
Energy and Utilities	9,629	10,420	10,060	(360)
Other	4,367	-	-	-
Transfers Out	11,439,572	11,453,759	10,045,568	(1,408,191)
NON-PERSONNEL SUBTOTAL	16,910,569	17,403,344	15,910,105	(1,493,239)
Total	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770	\$ (1,489,072)

Revenues by Category

	FY2014 Actual	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
Charges for Services	\$ 727	\$ -	\$ -	\$ -
Other Revenue	968,212	930,000	930,000	-
Rev from Money and Prop	1,355,910	977,970	978,699	729
Transfers In	14,515,750	13,815,750	13,299,074	(516,676)
Total	\$ 16,840,599	\$ 15,723,720	\$ 15,207,773	\$ (515,947)

Personnel Expenditures

Job Number	Job Title / Wages	FY2014 Budget	FY2015 Budget	FY2016 Proposed	Salary Range	Total
FTE, Salaries, and Wages						
20001222	Program Manager	1.00	1.00	1.00	\$46,966 - \$172,744	\$ 114,998
FTE, Salaries, and Wages Subtotal						\$ 114,998

PETCO Park

	FY2014 Actual	FY2015 Budget	FY2016 Proposed	FY2015-2016 Change
Fringe Benefits				
Flexible Benefits	\$ 4,500	\$ 5,018	\$ 6,827	\$ 1,809
Long-Term Disability	934	396	378	(18)
Medicare	1,716	1,668	1,668	-
Other Post-Employment Benefits	6,506	6,066	5,985	(81)
Retiree Medical Trust	289	288	288	-
Retirement 401 Plan	1,154	1,150	1,150	-
Retirement ADC	9,082	8,521	9,384	863
Risk Management Administration	966	947	1,069	122
Unemployment Insurance	320	227	216	(11)
Workers' Compensation	2,287	219	1,702	1,483
Fringe Benefits Subtotal	\$ 27,754	\$ 24,500	\$ 28,667	\$ 4,167
Total Personnel Expenditures			\$ 143,665	

PETCO Park

Revenue and Expense Statement (Non-General Fund)

PETCO Park Fund	FY2014 Actual	FY2015* Budget	FY2016 Proposed
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 3,387,310	\$ 3,180,744	\$ 1,468,057
TOTAL BALANCE AND RESERVES	\$ 3,387,310	\$ 3,180,744	\$ 1,468,057
REVENUE			
Charges for Current Services	\$ 727	\$ -	\$ -
Other Revenue	968,212	930,000	930,000
<i>Reimbursement from Police Dept for Services</i>	968,212	930,000	930,000
Revenue from Use of Money and Property	1,355,910	977,970	978,699
<i>Interest Earnings</i>	16,875	40,000	25,000
<i>Padres Rent Payment</i>	601,921	628,970	628,970
<i>Petco Park Special Events</i>	730,493	309,000	324,729
<i>Other Land / Building Leases</i>	6,137	-	-
<i>Lease Penalties</i>	483	-	-
Transfers In	14,515,750	13,815,750	13,299,074
<i>Transfer from Transient Occupancy Tax Fund</i>	14,515,750	13,815,750	13,299,074
TOTAL REVENUE	\$ 16,840,599	\$ 15,723,720	\$ 15,207,773
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 20,227,909	\$ 18,904,464	\$ 16,675,830
OPERATING EXPENSE			
Personnel Expenses	\$ 114,091	\$ 114,998	\$ 114,998
Fringe Benefits	27,754	24,500	28,667
Supplies	562	5,890	5,890
Contracts	5,453,961	5,932,192	5,845,764
<i>Miscellaneous Professional Services (JBOE/JUMA)</i>	-	-	4,369,525
<i>Security Services</i>	-	-	17,500
<i>City Services Billed</i>	-	-	1,375,000
<i>Landscaping Services</i>	-	-	83,739
Information Technology	2,479	1,083	2,823
<i>Computer Maintenance / Contracts</i>	699	700	850
<i>Network Access / Discretionary</i>	12	20	21
<i>Help Desk / Desktop Support</i>	376	363	313
<i>Data Center</i>	-	-	189
<i>Voice Data Network</i>	1,392	-	1,450
Energy and Utilities	9,629	10,420	10,060
Other Expenses	4,367	-	-
Transfers Out	11,439,572	11,453,759	10,045,568
<i>Cash Bond Principal Payment</i>	4,312,007	4,527,084	4,755,000
<i>Cash Bond Interest Payment</i>	6,988,587	6,790,331	6,564,000
<i>IT Service Transfer</i>	612	1,382	671
<i>Wireless Comm Transfer</i>	137	191	42
<i>Estimated Refinancing Debt Service Savings</i>	-	-	(1,400,000)
<i>Transfer to Other Funds</i>	35	-	-

Revenue and Expense Statement (Non-General Fund)

PETCO Park Fund	FY2014 Actual	FY2015* Budget	FY2016 Proposed
<i>SAP Support Allocation</i>	138,194	134,771	125,855
TOTAL OPERATING EXPENSE	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770
TOTAL EXPENSE	\$ 17,052,414	\$ 17,542,842	\$ 16,053,770
BALANCE	\$ 3,175,494	\$ 1,361,622	\$ 622,060
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 20,227,909	\$ 18,904,464	\$ 16,675,830

* At the time of publication, audited financial statements for Fiscal Year 2015 were not available. Therefore, the Fiscal Year 2015 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2015 Adopted Budget, while the beginning FY 2015 balance amount reflects the audited Fiscal Year 2014 ending balance.