



**102nd CAPPO Annual Educational Conference and Supplier Expo
January 14-18, 2019**

**Sheraton Grand Hotel & Sacramento Convention Center
Sacramento, CA**

**Conference Report
3.31.2019**

**Darryl Sweet, CPSM, C.P.M.
President 2018-2019**



March 2019

CAPPO membership:

This is a reporting of our association's annual conference held in January in Sacramento. Before launching into the nitty-gritty of the event, I wish to thank everyone who was in attendance. The conference committee put a lot of extra time and effort into putting on the best possible conference. To have you in attendance, and to see the positive energy of attendees from learning, networking, and enjoying your time is truly rewarding.



Background

I began looking at properties late in 2015, primarily in the SF Bay Area. At that time the RFP document provided to hotel & conference facilities had the following specifications:

| | |
|-------------------------|---------|
| CAPPO members: | 1,300 |
| Estimated Attendees: | 300-350 |
| Estimated Expo vendors: | 120 |
| Estimated room nights: | 1,000 |
| Peak night rooms: | 250 |

It was truly a learning experience submitting the RFP to properties and receiving the responses. In December 2015 I attended a trade show attended by nearly all the property representatives in the state. I made dozens of contacts and sent each of them the CAPPO Conference RFP.

San Francisco. Of the 10+ San Francisco properties I approached, only one had a week open in January 2019. Every other property responded that they were booked five-plus years out (I was looking a little over three years ahead of time). The one hotel in SF that did have availability was the Hyatt Regency Embarcadero. It looked promising... but only for a short time. I was excited to speak to them, and arrived ready to talk through the RFP.

The Hyatt's lowest room rate was nearly double that of prior years. Parking was slated at \$60/night and was strictly non-negotiable. Conference space could only handle 90-92 vendors. My hope of a conference in the City quickly faded.

San Jose. San Jose was similar to the SF situation. There was no availability at properties where we fit, and nothing in January at all; also, there was simply no expo space, as it had been booked years prior.

Responses from the *Napa* region said we were a too big for their facilities.

Oakland and Sacramento each responded. The Oakland property had a lot going for it. I can see us there in the future, but for 2019 I could not justify the room rate, parking, and F&B premium for the Oakland site compared to what Sacramento offered. Sacramento put forth the right combination of room rate, food & beverage costs, travel accessibility, scalability, and more. The Sheraton Grand and Convention Center in Sacramento paired up, approached me with a great proposal, and walked me through exactly what they could do for CAPPO.

Annual Conference 2019

A huge thanks to my conference chair, Hugh Smith, C.P.M., Past President and retired CAPPO Business Officer. Hugh told me he'd get it done! He did. Thank you.

Another huge thanks for the folks who volunteered to put on the Sacramento event. Words are not enough to express my gratitude for your efforts. And you produced such a successful conference. Here is the committee that stepped up to put together the 2019 event for you:

| | |
|--------------------------------------|-------------------------------------|
| Conference Chair | Hugh Smith |
| Facilities | Elizabeth Millwee |
| Registration | Dreama Howard |
| Program & Pro-D | Jennifer Alford / Brad Diemer |
| Supplier Expo | Dave Wetmore / Concepcion Gayotin |
| Food & Beverage | JoAnn Epperson |
| Entertainment | Jasmine Gaucusan |
| Finance | Twila Smith |
| Guest Program | Patsy Laverty |
| Publicity/Communication/Marketing | Craig Rader |
| Partner and VIP Liaison | Jana Vargas |
| Technical | Devin Barber |
| Volunteer Coordinator | Mary Horger |
| Golf Tourney | Brian Garrity |
| Social Media & Printed Conf. Program | Kristin Jimenez, Roderick Jefferson |

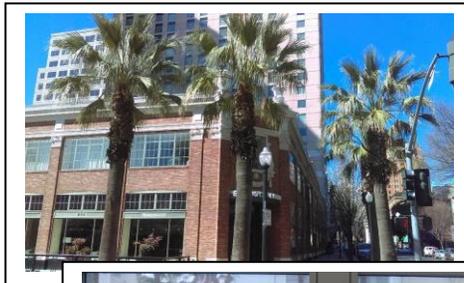
The conference committee worked very diligently, hard, smart, and with care in order to fulfill the conference vision. Again, a well-deserved thank you goes to Hugh and the *entire* conference committee.

2019 Conference Details

Earlier I provided the RFP specifications. Here are the membership and attendee breakdown for 2019. CAPPO has 1,865 total members.

CONFERENCE ATTENDEE BREAKDOWN

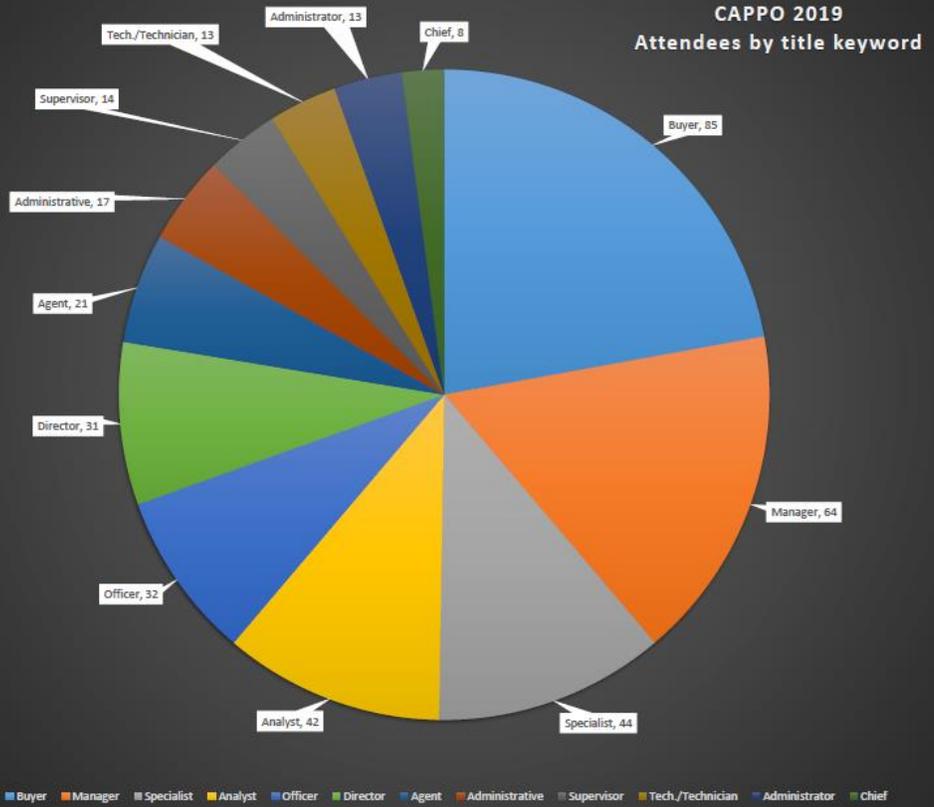
| Attendees | Count |
|----------------------------|------------|
| Full Conference Member | 347 |
| Full Conference Non-Member | 41 |
| One-day Member | 57 |
| One-day Non-Member | 11 |
| Two-day Member | 3 |
| Board Member | 9 |
| Conference Committee | 14 |
| Retiree | 15 |
| Speaker | 23 |
| VIP | 8 |
| Guest | 1 |
| | 529 |





ATTENDEES BY JOB TITLE KEYWORD

| | | |
|------------------|------------|-----|
| Buyer | 85 | 22% |
| Manager | 64 | 17% |
| Specialist | 44 | 11% |
| Analyst | 42 | 11% |
| Officer | 32 | 8% |
| Director | 31 | 8% |
| Agent | 21 | 5% |
| Administrative | 17 | 4% |
| Supervisor | 14 | 4% |
| Tech./Technician | 13 | 3% |
| Administrator | 13 | 3% |
| Chief | 8 | 2% |
| Total | 384 | |



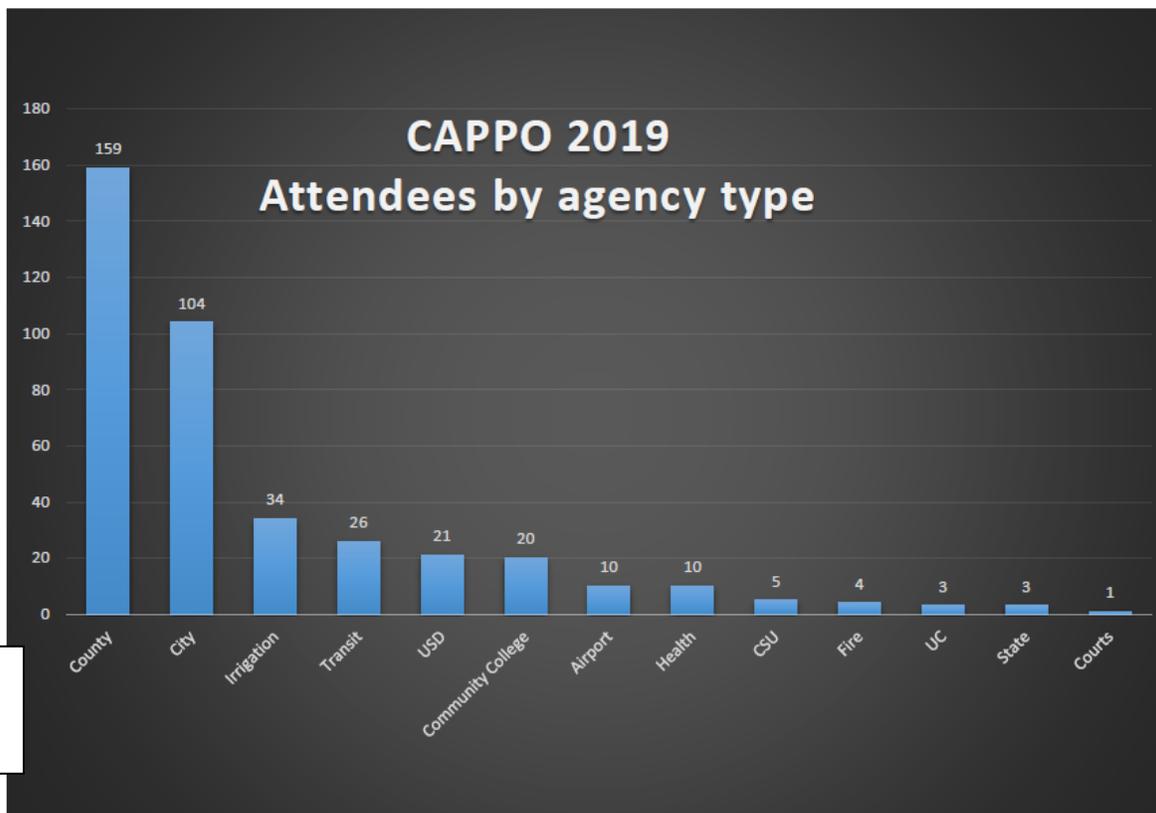
*This chart is not perfect. It is a quick study of some conference attendee demographics that can hopefully help with future planning efforts.





ATTENDEES BY AGENCY TYPE

| | | |
|-------------------|-----|------|
| County | 159 | 40% |
| City | 104 | 26% |
| Irrigation | 34 | 9% |
| Transit | 26 | 7% |
| USD | 21 | 5% |
| Community College | 20 | 5% |
| Airport | 10 | 3% |
| Health | 10 | 3% |
| CSU | 5 | 1% |
| Fire | 4 | 1% |
| UC | 3 | 1% |
| State | 3 | 1% |
| Courts | 1 | 0.3% |
| | 400 | |



*This chart is not perfect. It is a quick study of some conference attendee demographics that can hopefully help with future planning efforts.



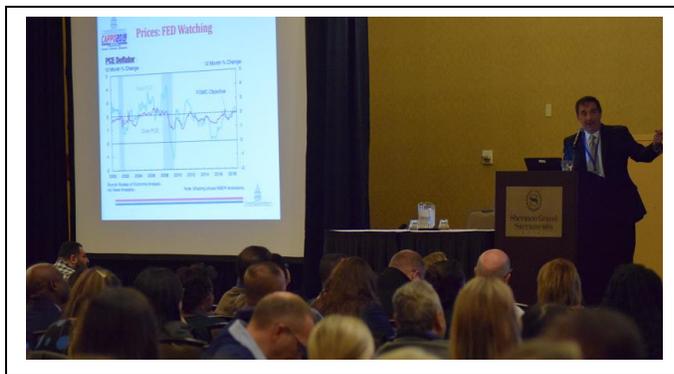


2019 CONFERENCE BUDGET TO ACTUAL

| Original Budget | | Revised Budget | | Actuals | |
|------------------|----------------|------------------|----------------|---------------|----------------|
| <u>Income</u> | <u>Expense</u> | <u>Income</u> | <u>Expense</u> | <u>Income</u> | <u>Expense</u> |
| \$ 493,940.00 | \$ 449,890.00 | \$ 420,400.00 | \$ 400,500.00 | \$ 430,184.00 | \$ 393,335.24 |
| \$ 44,050.00 | | \$ 19,900.00 | | \$ 36,848.76 | |
| <i>Projected</i> | | <i>Projected</i> | | <i>Actual</i> | |
| 7.28.2017 | | 9.7.2018 | | | |

A year and a half prior to the conference, in July 2017, the original budget (left column) was developed based on historical conference spend combined with the year-to-year changes the association had experienced in the few immediate prior conferences. In September 2018, the budget was revised (center column) based upon member and vendor activity, which caused us to amend projections with some real data to back it up. Primarily, we monitored room nights, conference registrations, and supplier expo registrations.

The right column is the 2019 conference actuals as of the latest reporting in mid-February. Income, while less than originally budgeted, wound up higher than the revised budget. Actual expenses were below both original and revised budgeted amounts. From this, and the supporting detail that backs it up, the Sacramento Conference wound up a little bit in the positive column, netting about \$36,800. We have historically budgeted conferences to break even.





FOOD & BEVERAGE

Food and Beverage makes up the single largest budget line-item at our conferences. It is a complex category to manage. The F&B chair works with the executive chef, the hotel team, facilities, entertainment, and the conference chair. Not only does the position choose the meals, they deal with meal restrictions, timing, costs, service charges, taxes, attrition, contingency, and more. Further, we turn in our final meal counts days before each meal. If we say 425 for a luncheon, but only 390 show up, we are on the hook for 425.

For Sacramento here is the final food and beverage actuals for conference-provided meals. The original budget for F&B was \$202,000, revised to \$185,000, then the final actual at \$165,330.

| Day | Event | No. of People | Total Food | Service Charge 25% | Tax 8.25% | Total |
|------------------|--|---------------|--------------|--------------------|-------------|---------------------|
| Monday | VIP Dinner | | | | | \$ 9,000.00 |
| Tuesday | Recognition Luncheon | 425 | \$ 15,300.00 | \$ 3,825.00 | \$ 1,577.81 | \$ 20,702.81 |
| | VIP Partners Reception (Food) | 60 | \$ 1,500.00 | \$ 375.00 | \$ 154.69 | \$ 2,029.69 |
| | VIP Reception (Drinks) | 60 | \$ 1,152.25 | \$ 288.06 | \$ 118.83 | \$ 1,559.14 |
| Wednesday | Chapter Chair/Board Breakfast | 25 | \$ 700.00 | \$ 175.00 | \$ 72.19 | \$ 947.19 |
| | Lunch (23% service charge) | 785 | \$ 24,531.25 | \$ 5,642.19 | \$ 2,489.31 | \$ 32,662.75 |
| | Dinner Networking Event | 500 | \$ 19,000.00 | \$ 4,750.00 | \$ 1,959.38 | \$ 25,709.38 |
| Thursday | Past Presidents Breakfast | 22 | \$ 616.00 | \$ 154.00 | \$ 63.53 | \$ 833.53 |
| | AEP Award Luncheon | 425 | \$ 15,300.00 | \$ 3,825.00 | \$ 1,577.81 | \$ 20,702.81 |
| | Presidents Reception & Apps | 375 | \$ 35,625.00 | \$ 8,906.25 | \$ 3,673.83 | \$ 48,205.08 |
| | Reception Drinks | 375 | \$ 2,200.50 | \$ 550.13 | \$ 226.93 | \$ 2,977.56 |
| | | | | | | \$165,329.94 |





OVERALL CONFERENCE BUDGET

Here is the overall conference budget. The back-up details are available on the CAPPO website. Overall, our association's 2019 Annual Conference and Supplier Expo wound up in good shape, with income in excess of expenses by \$36,800.

| 2019 Conference Line | Committee | INCOME | | | EXPENSE | | |
|----------------------|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | Budget (original) | Budget (revised) | Actual | Budget (original) | Budget (revised) | Actual |
| 19.01 | President | | | \$ - | \$ - | \$ - | \$ 2,096.00 |
| 19.02 | Conference Chair | | | \$ - | \$ 42,620.00 | \$ 40,455.00 | \$ 16,451.00 |
| 19.03 | Entertainment | | | \$ - | \$ 23,500.00 | \$ 23,500.00 | \$ 22,488.00 |
| .01 | Vendor Networking Tix | | | \$ 910.00 | | | |
| 19.04 | Facilities | | | \$ - | \$ 43,000.00 | \$ 43,000.00 | \$ 43,577.00 |
| 19.05 | Finance | | | \$ - | | | |
| .01 | Sheraton Rebate | | | \$ 10,889.00 | | | |
| .02 | Sheraton Room refund | | | \$ 384.00 | | | |
| .03 | Overflow hotel rebates | | | \$ 2,250.00 | | | |
| 19.06 | F&B | | | | \$ 202,000.00 | \$ 185,000.00 | \$ 156,333.00 |
| 19.07 | Golf | | | \$ 6,445.00 | | | \$ 5,507.00 |
| 19.08 | Guest Program | \$ 3,540.00 | | | \$ 3,500.00 | \$ 1,770.00 | \$ - |
| 19.09 | Photography | | | | \$ 2,400.00 | \$ 2,400.00 | \$ 450.00 |
| 19.10 | (blank) | | | | | | |
| 19.11 | Prod-D/Program Combo | | | | \$ 31,000.00 | \$ 31,000.00 | \$ 26,244.00 |
| 19.12 | Protocol | | | | | | |
| 19.13 | Publicity | \$ 4,000.00 | \$ 2,500.00 | | \$ 6,000.00 | \$ 6,000.00 | \$ 4,903.00 |
| 19.14 | Registration | \$ 190,325.00 | \$ 160,700.00 | \$ 152,981.00 | \$ 13,250.00 | \$ 9,875.00 | \$ 8,202.00 |
| .01 | Comped Registration | | | | | | \$ 12,245.00 |
| .02 | Committee Rooms | | | | \$ 18,620.00 | | \$ 14,352.24 |
| .03 | Speaker rooms | | | | | | \$ 5,223.00 |
| .04 | Refunds (registration) | | | | | | \$ 11,170.00 |
| .05 | Scholarships (Wilson-Wright) | | | | | | \$ 2,682.00 |
| 19.15 | Transportation | | | | \$ 2,000.00 | \$ 2,000.00 | \$ 332.00 |
| 19.16 | Vendor Expo | \$ 246,075.00 | \$ 207,200.00 | \$ 182,515.00 | \$ 45,000.00 | \$ 38,500.00 | \$ 39,888.00 |
| .01 | Ads | | | \$ 500.00 | | | |
| 19.17 | (blank) | | | | | | |
| 19.18 | Partnership Income | \$ 50,000.00 | \$ 50,000.00 | \$ 73,310.00 | | | |
| 19.19 | IT-APP-VOTENET-A2Z | | | \$ - | \$ 12,000.00 | \$ 12,000.00 | \$ 11,622.00 |
| 19.20 | Partner Liaison/VIP Liaison | | | \$ - | \$ 5,000.00 | \$ 5,000.00 | \$ 570.00 |
| .01 | VIP dinner | | | \$ - | | \$ 9,000.00 | \$ 9,000.00 |
| Totals | | \$ 493,940.00 | \$ 420,400.00 | \$ 430,184.00 | \$ 449,890.00 | \$ 400,500.00 | \$ 393,335.24 |

One factor that helped with the overall conference financial position is that CAPPO was provided a rebate based upon room nights at the Sheraton Grand, as well as at our overflow hotels. I used an external third-party in the hospitality industry to finalize the Sheraton agreement. Doing so unlocked what is called a commissionable rate structure in the booking process (in place at most hotels) which in turn earned CAPPO the rebate. When we needed additional rooms, Hugh contacted the same person to put overflow agreements in place. Combined, CAPPO received \$13,139 in room night rebates.





Conclusion

I hope this has provided a look into the financials for our annual conference. Additional detailed breakdown is available on the CAPPO website. I began this report sharing the RFP specifications that I used in 2015 to work on site selection. Here is a side-by-side comparison of those with the actuals for 2019.

| <u>Item</u> | <u>2015 RFP</u> | <u>2019 Actual</u> | <u>% increase (decrease)</u> |
|-------------------------|-----------------|--------------------|------------------------------|
| CAPPO members: | 1300 | 1865 | 43% |
| Estimated Attendees: | 350 | 529 | 51% |
| Estimated Expo vendors: | 120 | 167 | 39% |
| Estimated room nights: | 1000 | 1309 | 31% |
| Peak night rooms: | 250 | 304 | 22% |
| | | | % change from RFP |

Thank you all for attending, and for so many kind words during the event. I did hear constructive criticism, as well, which is always welcomed. We need to always be willing to hear it in order to make necessary adjustments that allow us to continue to provide a high-quality high-value conference for our membership.

Thank you for the opportunity to serve as your 2018-2019 president, and for the chance to provide an educational conference to such a broad and diverse membership. Happy Purchasing to you all.

Respectfully Submitted,

Darryl R. Sweet, CPSM, C.P.M.
 Immediate Past President
 President 2018-2019



CAPPO2019
Innovation Collaboration Sustainability

