

Washington Convention and Sports Authority

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Description	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$114,584,739	\$133,792,837	16.8

Note: Prior year actuals are not reported for the Washington Convention and Sports Authority, because the agency does not use the District's financial system for its actual transactions.

The mission of Events DC is to promote the District as a location for conventions, trade shows, meetings, sports, entertainment and recreational events; promote tourism and leisure travel to the District; and encourage and support youth activities, including through sports. Through these activities, Events DC serves as an economic engine for the Nation's Capital.

Summary of Services

In 1994, the Washington Convention Center Authority (WCCA) was created as a corporate body and an independent authority of the District of Columbia government responsible for managing and operating the District's convention center and for bringing national and international conventions, trade shows, and meetings to the District of Columbia. ["Washington Convention Center Authority Act of 1994," D.C. Law 10-188, effective September 28, 1994]. Pursuant to the Fiscal Year 2010 Budget Support Second Emergency Act of 2009 and the Fiscal Year 2010 Budget Support Act, the District of Columbia Sports and Entertainment Commission was merged into WCCA to form a new organization known as the Washington Convention and Sports Authority (WCSA). The merger created one umbrella organization with a broadened charter to also promote the District as a key sports, entertainment and special events destination. Also, as part of the merger, WCSA gained control over the Nationals Ballpark, the Robert F. Kennedy Memorial Stadium (RFK), and the non-military portions of the DC Armory. Facility maintenance for RFK and the Armory, previously performed by the D.C. Sports and Entertainment Commission, was assumed by the Department of Real Estate Services, now the Department of General Services.

In June 2011, the Washington Convention and Sports Authority launched a new brand name, "Events DC." The new brand entity fully encompasses the event experience in the city, elevates the organization's core assets and portfolio, and perhaps most importantly, aligns with the existing brands for Washington D.C. and the city's promotional arm, Destination DC.

Events DC is governed by an 11-member Board of Directors. Two members, one of whom is the Chief Financial Officer of the District and the other of whom is designated by the Mayor, serve as voting ex-officio members. The remaining nine public members are appointed by the Mayor with the advice and consent of the Council of the District of Columbia and represent certain sectors of the community. The Mayor designates one public member as chairperson with the advice and consent of the Council.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table ES0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget.

Table ES0-1
(dollars in thousands)

Appropriated Fund	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
<u>General Fund</u>				
Special Purpose Revenue Funds	114,585	0	-114,585	-100.0
Total for General Fund	114,585	0	-114,585	-100.0
<u>Enterprise and Other</u>				
Enterprise and Other Funds	0	133,793	133,793	N/A
Total for Enterprise and Other	0	133,793	133,793	N/A
Gross Funds	114,585	133,793	19,208	16.8

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table ES0-2 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget.

Table ES0-2
(dollars in thousands)

	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
Comptroller Source Group				
11 - Regular Pay - Continuing Full Time	15,411	16,202	791	5.1
12 - Regular Pay - Other	1,053	963	-90	-8.5
14 - Fringe Benefits - Current Personnel	4,624	5,313	689	14.9
15 - Overtime Pay	576	576	0	0.0
Subtotal Personal Services (PS)	21,664	23,054	1,390	6.4
20 - Supplies and Materials	587	572	-15	-2.5
30 - Energy, Communication and Building Rentals	6,110	6,276	166	2.7
31 - Telephone, Telegraph, Telegram, Etc.	125	125	0	0.0
41 - Contractual Services - Other	14,860	15,614	754	5.1
50 - Subsidies and Transfers	21,383	21,785	401	1.9
60 - Land and Buildings	13,238	17,093	3,855	29.1
70 - Equipment and Equipment Rental	330	330	0	0.0
80 - Debt Service	36,287	48,944	12,657	34.9
Subtotal Nonpersonal Services (NPS)	92,921	110,738	17,818	19.2
Gross Funds	114,585	133,793	19,208	16.8

*Percent change is based on whole dollars.

Program Description

Although it appears as a single program in the District's financial system, the Washington Convention and Sports Authority operates through the following 3 programs:

Washington Convention Center Operations – provides for the operation of the Walter E. Washington Convention Center, in whole or in part, directly or under contract, and engages in such activities as deemed appropriate to promote trade shows, conventions, and other events. This program also constructs, equips, and maintains the facility.

The convention center opened in April 2003 and was later named in honor of the first Mayor of the District under the present Home Rule Charter. Since opening, it has hosted the following number of events per fiscal year:

<u>Fiscal Year</u>	<u>Convention Center Events</u>
2004	201
2005	185
2006	106
2007	150
2008	185
2009	204
2010	214
2011	231
2012	201
2013	209

A total of 10.68 million people attended events at the Convention Center during the period of FY 2004 through FY 2013. Currently, the Convention Center has booked or tentatively booked approximately 387 events from 2014-2016. These events are projected to attract 1 million attendees every year. The Center has a total of 2.3 million square feet of space, including 703,000 square feet of exhibit space; 118,670 square feet of meeting space (which is divisible into 77 meeting rooms); 44,000 square feet of retail space and street-level restaurants; and a 52,000 square-foot ballroom, which is one of the largest on the East Coast.

Sports, Entertainment, and Special Events – promotes attractions and the development of new events for the Robert F. Kennedy Memorial Stadium and the surrounding festival grounds, non-military events at the District of Columbia Armory, and sporting and entertainment events at other sites around the city. These events include the D.C. United Major League Soccer team, the Eagle Bank Bowl football game, Nations Football Classic, local athletic games, various concerts, and other events. The Department of General Services maintains the stadium and the armory through revenue collected from events, rent, advertising, and other sources of revenue derived from these facilities.

Carnegie Library at Mount Vernon Square – as a special event venue, the Carnegie Library showcases its versatility by hosting galas, weddings, receptions, holiday parties, and press events. The Library is comprised of seven ornate rooms, including the L'Enfant Map Room, which features an illuminated floor map of Washington, D.C.

Program Structure Change

The Washington Convention and Sports Authority has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table ES0-3 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget.

Table ES0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Washington Convention Center						
(1100) Washington Convention Center	114,585	133,793	19,208	0.0	0.0	0.0
Subtotal (1000) Washington Convention Center	114,585	133,793	19,208	0.0	0.0	0.0
Total Proposed Operating Budget	114,585	133,793	19,208	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Notes: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Events DC's (EDC) proposed FY 2015 gross budget is \$133,792,837, which represents a 16.8 percent increase over its FY 2014 approved gross budget of \$114,584,739. The budget is comprised entirely of Enterprise and Other funds.

Note: For FY 2015, a new appropriated fund, Enterprise and Other Funds – was created to replace the appropriated fund previously associated with the General Fund. In tables that categorized changes by fund, the budget associated with the original appropriated fund, Special Purpose Revenue, is reflected as a decrease. As the budget shifts from the General Fund to the new Enterprise and Other appropriated fund, the budget is shown as a corresponding increase.

Agency Budget Submission

Shift: The budget shows a shift from Special Purpose Revenue funds to Enterprise and Other funds – Special Purpose Revenue funds, a decrease of \$114,584,739 offset by an increase of \$132,792,836. Included in the shift, the budget reflects an increase of \$18,208,097 in Enterprise and Other funds. Of that amount, an increase of \$12,656,892 in Debt Service reflects additional payments for the construction of the new Marriott Marquis Convention Center Headquarters Hotel. To support program initiatives, and align the budget with Events DC's five-year capital project plan, the Capital expenditures in Land and Building was increased by \$3,855,000. The budget allocation for personal services was increased by \$1,390,147 to reflect the agency's FY 2015 approved staffing, Fringe Benefits, and cost-of-living adjustments. Funding allocation for Contractual Services was also increased by \$754,105 to support program initiatives, and Fixed Costs by \$165,647 due to a projected increased rate for Electricity. In order to align the budget with projected revenues and streamline operational efficiency, Events DC reduced budget allocations for office supplies by \$14,900 as well as Subsidies and Transfers by \$598,793.

Mayor's Proposed Budget

No Change: The Events DC's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

Enhance: The budget proposal for EDC increased by \$1,000,000, which is comprised of \$952,454 to support Destination DC marketing initiatives and \$47,546 for an inflation factor adjustment as stipulated by the Budget Support Act of 2013.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table ES0-4 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table ES0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE		114,585	0.0
Shift: To reallocate funding within agency (across fund types)	Washington Convention Center	-114,585	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2014 Approved Budget and FTE		0	0.0
Shift: To reallocate funding within agency (across fund types)	Washington Convention Center	132,793	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Agency Budget Submission		132,793	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Mayor's Proposed Budget		132,793	0.0
Enhance: To support Destination DC	Washington Convention Center	952	0.0
Enhance: To support statutory inflation adjustment	Washington Convention Center	48	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 District's Proposed Budget		133,793	0.0
Gross for ES0 - Washington Convention and Sports Authority		133,793	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)