

Washington Convention and Sports Authority

www.eventsdc.com

Telephone: 202-249-3000

Table ES0-1

Description	FY 2016 Actual	FY 2017 Approved	FY 2018 Proposed	% Change from FY 2017
OPERATING BUDGET	\$0	\$146,958,776	\$160,215,589	9.0

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 Park, 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 a 12-member Board of Directors. Three members, including the Chief Financial Officer of the District, the chief executive of the Hotel Association of Washington D.C., and the third person 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 2018 proposed budget is presented in the following tables:

FY 2018 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table ES0-2 contains the proposed FY 2018 budget by revenue type compared to the FY 2017 approved budget. It also provides FY 2016 actual data.

Table ES0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017	Percentage Change*	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017	Percentage Change
ENTERPRISE AND OTHER FUNDS	0	146,959	160,216	13,257	9.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR ENTERPRISE AND OTHER	0	146,959	160,216	13,257	9.0	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	0	146,959	160,216	13,257	9.0	0.0	0.0	0.0	0.0	N/A

*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 2018 Operating Appendices** located on the Office of the Chief Financial Officer’s website.

FY 2018 Proposed Operating Budget, by Comptroller Source Group

Table ES0-3 contains the proposed FY 2018 budget at the Comptroller Source Group (object class) level compared to the FY 2017 approved budget. It also provides FY 2015 and FY 2016 actual expenditures.

Table ES0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2015	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	0	0	19,115	20,248	1,133	5.9
12 - REGULAR PAY - OTHER	0	0	1,172	1,172	0	0.0
14 - FRINGE BENEFITS - CURRENT PERSONNEL	0	0	7,120	6,646	-474	-6.7
15 - OVERTIME PAY	0	0	576	576	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	0	0	27,983	28,642	659	2.4

Table ES0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2015	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017	Percentage Change*
20 - SUPPLIES AND MATERIALS	0	0	587	868	281	47.8
30 - ENERGY, COMMUNICATION AND BUILDING RENTALS	0	0	7,224	7,196	-28	-0.4
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	0	0	125	216	91	73.0
41 - CONTRACTUAL SERVICES - OTHER	0	0	23,058	23,140	82	0.4
50 - SUBSIDIES AND TRANSFERS	0	0	23,116	29,298	6,182	26.7
60 - LAND AND BUILDINGS	0	0	13,007	18,996	5,989	46.0
70 - EQUIPMENT AND EQUIPMENT RENTAL	0	0	366	412	45	12.4
80 - DEBT SERVICE	0	0	51,493	51,448	-45	-0.1
SUBTOTAL NONPERSONAL SERVICES (NPS)	0	0	118,976	131,574	12,598	10.6
GROSS FUNDS	0	0	146,959	160,216	13,257	9.0

*Percent change is based on whole dollars.

FY 2018 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table ES0-4 contains the proposed FY 2018 budget by division/program and activity compared to the FY 2017 approved budget. It also provides FY 2016 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table ES0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017	Actual FY 2016	Approved FY 2017	Proposed FY 2018	Change from FY 2017
(1000) WASH CONVENTION CENTER								
(1100) WASH CONVENTION CENTER	0	146,959	160,216	13,257	0.0	0.0	0.0	0.0
SUBTOTAL (1000) WASH CONVENTION CENTER	0	146,959	160,216	13,257	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	0	146,959	160,216	13,257	0.0	0.0	0.0	0.0

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

Note: 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 2018 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

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
2014	204
2015	233
2016	217

A total of 14.5 million people attended events at the Convention Center during the period of FY 2004 through FY 2016. Currently, the Convention Center has booked or tentatively booked approximately 308 events from 2017-2019. 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 and Entertainment Division – 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 2018 proposed budget.

FY 2017 Approved Budget to FY 2018 Proposed Budget, by Revenue Type

Table ES0-5 itemizes the changes by revenue type between the FY 2017 approved budget and the FY 2018 proposed budget. For a more comprehensive explanation of changes, please see the FY 2018 Proposed Budget Changes section, which follows the table.

Table ES0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2017 Approved Budget and FTE		146,959	0.0
Increase: To align resources with operational spending goals	Wash Convention Center	6,315	0.0
Increase: To support the costs of pre-existing programmatic initiatives	Wash Convention Center	1,821	0.0
Increase: To support additional FTEs	Wash Convention Center	1,133	0.0
Increase: To adjust the Contractual Services budget	Wash Convention Center	82	0.0
Increase: To align Fixed Costs with proposed estimates	Wash Convention Center	63	0.0
Decrease: To align budget with projected debt service payments	Wash Convention Center	-45	0.0
Decrease: To align the Fringe Benefits budget with projected costs	Wash Convention Center	-474	0.0
ENTERPRISE AND OTHER FUNDS: FY 2018 Agency Budget Submission		155,855	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2018 Mayor's Proposed Budget		155,855	0.0
Enhance: To align budget with projected revenues	Wash Convention Center	4,360	0.0
ENTERPRISE AND OTHER FUNDS: FY 2018 District's Proposed Budget		160,216	0.0

GROSS FOR ES0 - WASHINGTON CONVENTION AND SPORTS AUTHORITY	160,216	0.0
---	----------------	------------

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

FY 2018 Proposed Budget Changes

The Washington Convention and Sports Authority's (WCSA) proposed FY 2018 gross budget is \$160,215,589, which represents a 9.0 percent increase over its FY 2017 approved gross budget of \$146,958,776. The budget is comprised entirely of Enterprise and Other funds.

Agency Budget Submission

Increase: The FY 2018 proposed budget for WCSA was increased by \$6,315,298 to support various initiatives. This amount includes \$5,989,000 to support planned capital expenditures for maintenance and improvements, investments in information technology, and environment enrichment and improvement to the Convention Center and the Carnegie Library. Also, included in this amount is \$280,833 to purchase mechanical supplies for facilities maintenance, and \$45,465 for acquisition of additional computers. Additionally, the proposed budget includes an increase of \$1,821,151, which is comprised of \$1,494,859 to support Destination DC marketing of the District of Columbia, and \$326,292 for internal marketing efforts. Further adjustments to WCSA's budget proposal aligns funding with projected personal services costs, accounting for an increase of \$1,133,176 that provides annualized funding for 11 positions that were added with the revised FY 2017 budget. These positions will enhance marketing and community outreach initiatives, support the Gateway and Rise Center, and add support to the events and marketing services departments. The proposed budget also reflects increases of \$82,066 for contractual services, and \$63,309 to align Fixed Costs with projected estimates.

Decrease: To align the budget with projected debt service payments, the budget was decreased by \$44,622. The budget proposal also decreased by \$474,022 due to cost savings projected for health insurance premiums.

Mayor's Proposed Budget

No Change: The Washington Convention and Sports Authority's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

Enhance: The Washington Convention and Sports Authority's budget proposal reflects a net increase of \$4,360,457, of which \$2,862,116 will support the Destination DC advertisement with the aim of making the District of Columbia a destination center for businesses within the Greater Metropolitan Washington area, and \$1,498,341 will support the Washington Center Hotel ground lease payment.