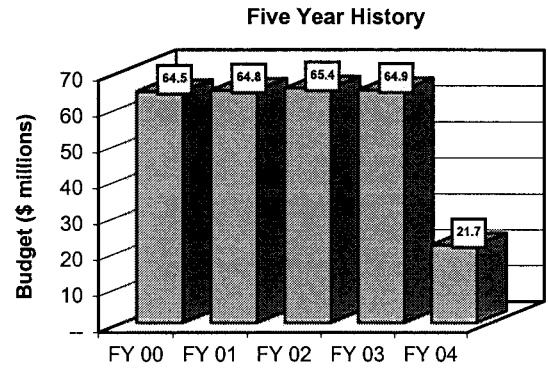


CONVENTION CENTER

2003 - 2004 Proposed Budget

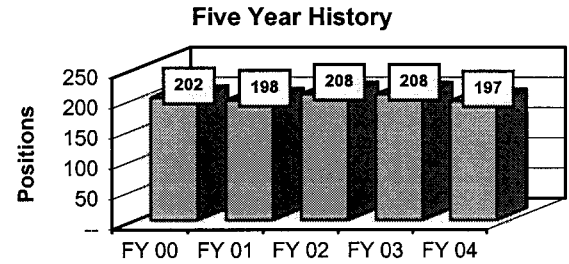
FUNDING

	2002-03	2002-03	2003-2004 PROPOSED	
	Estimated	Budget	Amount	%Change
Salaries	\$ 13,083,000	\$ 13,108,667	\$ 13,204,912	0.7%
Expense	8,246,000	9,234,321	7,958,821	(13.8)%
Equipment	89,000	--	--	100.0%
Special	42,771,000	42,593,379	556,200	(98.7)%
TOTAL	\$ 64,189,000	\$ 64,936,367	\$ 21,719,933	(66.6)%



STAFFING

	June 30, 2003	2002-2003	2003-2004 PROPOSED	
	Projected Staffing	Adopted Budget	Authorized Staffing	%Change
Regular	168	208	197	(5.3)%



BUDGET HIGHLIGHTS

	Direct Cost	Positions
◆ 2002-03 Employee Compensation Adjustment	\$ 103,796	--
◆ 2003-04 Employee Compensation Adjustment	366,918	--
◆ Salary Step Plan and Turnover Effect	1,266,073	--
◆ Transfer of Lease Obligation Funding	(42,173,179)	--
◆ Convention Center Revenue Offset	(1,403,500)	--
◆ Deletion of Vacancies	(389,936)	(13)
◆ Event and Operational Support	(18,072)	2
◆ Transfer of Insurance Premiums	(1,141,000)	--
◆ Building Maintenance	190,000	--

Recapitulation of Changes

	Adopted Budget 2002-03	Total Budget Changes	Budget Appropriation 2003-04
EXPENDITURES AND APPROPRIATIONS			
Salaries			
Salaries General	9,115,001	284,509	9,399,510
Salaries As-Needed	3,340,167	(188,264)	3,151,903
Overtime General	653,499	-	653,499
Total Salaries	13,108,667	96,245	13,204,912
Expense			
Printing and Binding	51,500	(5,000)	46,500
Contractual Services	2,819,688	-	2,819,688
Field Equipment Expense	15,500	-	15,500
Maintenance Materials, Supplies & Services	356,986	(2,000)	354,986
Transportation	6,000	-	6,000
Utilities Expense Private Company	500,000	(100,000)	400,000
Water and Electricity	3,832,000	-	3,832,000
Convention Center Insurance	1,141,000	(1,141,000)	-
Electrical Service	199,300	(10,000)	189,300
Uniforms	38,645	(2,500)	36,145
Office and Administrative	97,678	(2,000)	95,678
Operating Supplies	176,024	(13,000)	163,024
Total Expense	9,234,321	(1,275,500)	7,958,821
Equipment			
Furniture, Office and Technical Equipment	-	-	-
Total Equipment	-	-	-
Special			
Lease Obligation to Convention Center	42,173,179	(42,173,179)	-
Modifications Repairs Addition	79,000	190,000	269,000
Advertising, Travel & Other Promotion	225,000	(50,000)	175,000
Communication Services	10,000	(2,500)	7,500
Building Operating Equipment	66,200	(1,500)	64,700
Earthquake Reserve Fund	40,000	-	40,000
Total Special	42,593,379	(42,037,179)	556,200
Total Convention Center	64,936,367	(43,216,434)	21,719,933

Recapitulation of Changes

	Adopted Budget 2002-03	Total Budget Changes	Budget Appropriation 2003-04
SOURCES OF FUNDS			
General Fund	40,784,367	(38,264,434)	2,519,933
Convention Center Revenue Fund (Sch. 16)	24,152,000	(4,952,000)	19,200,000
Total Funds	<u>64,936,367</u>	<u>(43,216,434)</u>	<u>21,719,933</u>
Percentage Change			-66.55%
Positions	208	(11)	197

Convention and Exhibition Center

This program provides for the operation, maintenance, and promotion of the Los Angeles Convention Center. The Convention Center is owned by the Los Angeles Convention and Exhibition Center Authority which leases the facility to the City. The lease payment is equal to the amount required each year to pay for the bonds reaching retirement and the interest payments owed on the remaining outstanding bonds. The Convention Center is used for conventions, meetings, trade and consumer shows. These events stimulate local trade and commerce and enable the City to fulfill its role as a major commercial center.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
Obligatory			
1 . 2002-03 Employee Compensation Adjustment Related costs consist of employee benefits. SG \$103,796	103,796	-	103,796
2 . 2003-04 Employee Compensation Adjustment Related costs consist of employee benefits. SG \$366,918	366,918	-	366,918
3 . Salary Step Plan and Turnover Effect Related costs consist of employee benefits. SG \$1,266,073	1,266,073	-	1,266,073
4 . Change in Number of Working Days One more working day. Related costs consist of employee benefits. SG \$41,572	41,572	-	41,572
Targeted Reductions			
5 . Convention Center Revenue Offset The Department's expenses are adjusted to reflect the estimated decline in operating revenues. The Department's Salaries General account is reduced by \$1.09 million from the 2002-03 level of \$9,115,001. The Salaries As-Needed account is reduced by \$125,000 from the 2002-03 level of \$3,340,167. The Department will continue a staffing plan designed to achieve salary savings without impacting service levels. Various expense and special accounts are reduced by \$188,500 from the 2002-03 level of \$9,614,521. The Department will continue cost-containment measures to maintain current service levels. Related costs consist of employee benefits. SG \$(1,090,000); SAN \$(125,000); SP \$(54,000); EX \$(134,500)	(1,403,500)	-	(1,403,500)

Program Changes		Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special				
Targeted Reductions				
6 .	Deletion of Vacancies Positions which have been vacant for more than one year are deleted. Existing service levels will not be impacted. Related costs consist of employee benefits. One clerical position in Administration One supervisory position in Operations One building operating position in Operations Six electrical positions in Operations Four service personnel in Operations SG \$(389,936) Related Costs: \$(162,696)	(389,936)	(13)	(552,632)
Workload				
7 .	Event and Operational Support Authority is provided to convert two intermittent Parking Attendant I positions to full time. To offset the salary costs for the two full-time positions, the Salaries As-Needed account is reduced. Related costs consist of employee benefits. SG \$45,192; SAN \$(63,264) Related Costs: \$18,072	(18,072)	2	-
Transfers Between Departments				
8 .	Transfer of Lease Obligation Funding Funding for the lease payments is transferred to the Capital Finance Administration Fund, which is used to pay the City's lease-related interest and principal costs on outstanding debt. The transfer of the lease payments is consistent with the purpose of the Capital Finance Administration Fund (See Capital Finance Administration Fund Item 23). SP \$(42,173,179)	(42,173,179)	-	(42,173,179)
9 .	Transfer of Insurance Premiums Funding for insurance premiums is transferred to a new Insurance and Bonds Premiums Fund (see Other Special Purpose Fund appropriation to the Insurance and Bonds Premiums Fund). EX \$(1,141,000)	(1,141,000)	-	(1,141,000)

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
Other Changes or Adjustments			
10. Building Maintenance Additional funding is provided for various health and safety-related maintenance projects. Funding will increase from \$79,000 to \$269,000. Funding is provided to replace two steam boilers (\$125,000), replace microprocessors for the smoke evacuation system (\$65,000), retrofit and repair floor boxes and ports in the South Hall (\$51,000), and replace water-damaged ceilings and torn drapes in meeting rooms (\$28,000). <i>SP \$190,000</i>	190,000	-	190,000
11. Managed Attrition Funding is reduced to reflect the continuation of a hard hiring freeze throughout fiscal year 2003-04. Vacant positions with salaries equal to the amount of attrition will be deleted from the fiscal year 2004-05 budget. Related costs consist of employee benefits. <i>SG \$(59,106)</i> Related Costs: \$(13,895)	(59,106)	-	(73,001)
TOTAL CONVENTION AND EXHIBITION CENTER	<u>(43,216,434)</u>	<u>(11)</u>	
2002-03 Program Budget	64,936,367	208	
Changes in Salaries, Expense, Equipment and Special	<u>(43,216,434)</u>	<u>(11)</u>	
2003-04 PROGRAM BUDGET	<u>21,719,933</u>	<u>197</u>	

INDICATORS OF WORKLOAD

	ACTUAL 1997-98	ACTUAL 1998-99	ACTUAL 1999-00	ACTUAL 2000-01	ACTUAL 2001-02	EST. 2002-03	EST. 2003-04
SCHEDULED EXHIBIT HALL EVENTS	94	100	132	105	101	95	85
OTHER EVENTS *	269	184	211	220	244	205	210
ATTENDANCE AT EVENTS	2,142,419	2,356,929	2,621,929	1,810,266	1,927,336	1,650,000	1,500,000
AUTOS PARKED PROGRAM **	688,128	733,543	785,575	566,949	573,939	500,000	450,000
UTILIZATION OF EXHIBIT HALLS	71%	80%	84%	78%	71%	68%	66%

* Includes meeting rooms, Petree Hall and Concourse, but does not include filming events.

** During the Democratic National Convention, the Convention Center's parking lots were not open to public parking.

