CONVENTION CENTER
2003 - 2004 Proposed Budget

FUNDING

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

STAFFING

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>168</td>
<td>208</td>
<td>197</td>
<td>(5.3%)</td>
</tr>
</tbody>
</table>

BUDGET HIGHLIGHTS

- 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

<table>
<thead>
<tr>
<th></th>
<th>Adopted Budget 2002-03</th>
<th>Total Budget Changes</th>
<th>Budget Appropriation 2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENDITURES AND APPROPRIATIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Salaries</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries General</td>
<td>9,115,001</td>
<td>284,509</td>
<td>9,399,510</td>
</tr>
<tr>
<td>Salaries As-Needed</td>
<td>3,340,167</td>
<td>(188,264)</td>
<td>3,151,903</td>
</tr>
<tr>
<td>Overtime General</td>
<td>653,499</td>
<td>-</td>
<td>353,499</td>
</tr>
<tr>
<td><strong>Total Salaries</strong></td>
<td>13,108,667</td>
<td>96,245</td>
<td>13,204,912</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Printing and Binding</td>
<td>51,500</td>
<td>(5,000)</td>
<td>46,500</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>2,819,688</td>
<td>-</td>
<td>2,319,688</td>
</tr>
<tr>
<td>Field Equipment Expense</td>
<td>15,500</td>
<td>-</td>
<td>15,500</td>
</tr>
<tr>
<td>Maintenance Materials, Supplies &amp; Services</td>
<td>356,986</td>
<td>(2,000)</td>
<td>354,986</td>
</tr>
<tr>
<td>Transportation</td>
<td>6,000</td>
<td>-</td>
<td>6,000</td>
</tr>
<tr>
<td>Utilities Expense Private Company</td>
<td>500,000</td>
<td>(100,000)</td>
<td>400,000</td>
</tr>
<tr>
<td>Water and Electricity</td>
<td>3,832,000</td>
<td>-</td>
<td>3,332,000</td>
</tr>
<tr>
<td>Convention Center Insurance</td>
<td>1,141,000</td>
<td>(1,141,000)</td>
<td>-</td>
</tr>
<tr>
<td>Electrical Service</td>
<td>199,300</td>
<td>(10,000)</td>
<td>189,300</td>
</tr>
<tr>
<td>Uniforms</td>
<td>38,645</td>
<td>(2,500)</td>
<td>36,145</td>
</tr>
<tr>
<td>Office and Administrative</td>
<td>97,678</td>
<td>(2,000)</td>
<td>95,678</td>
</tr>
<tr>
<td>Operating Supplies</td>
<td>176,024</td>
<td>(13,000)</td>
<td>163,024</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>9,234,321</td>
<td>(1,275,500)</td>
<td>7,958,821</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture, Office and Technical Equipment</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Equipment</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Special</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease Obligation to Convention Center</td>
<td>42,173,179</td>
<td>(42,173,179)</td>
<td>-</td>
</tr>
<tr>
<td>Modifications Repairs Addition</td>
<td>79,000</td>
<td>190,000</td>
<td>269,000</td>
</tr>
<tr>
<td>Advertising, Travel &amp; Other Promotion</td>
<td>225,000</td>
<td>(50,000)</td>
<td>175,000</td>
</tr>
<tr>
<td>Communication Services</td>
<td>10,000</td>
<td>(2,500)</td>
<td>7,500</td>
</tr>
<tr>
<td>Building Operating Equipment</td>
<td>66,200</td>
<td>(1,500)</td>
<td>64,700</td>
</tr>
<tr>
<td>Earthquake Reserve Fund</td>
<td>40,000</td>
<td>-</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>Total Special</strong></td>
<td>42,593,379</td>
<td>(42,037,179)</td>
<td>556,200</td>
</tr>
<tr>
<td><strong>Total Convention Center</strong></td>
<td>64,936,367</td>
<td>(43,216,434)</td>
<td>21,719,933</td>
</tr>
</tbody>
</table>
## Recapitulation of Changes

<table>
<thead>
<tr>
<th></th>
<th>Adopted Budget 2002-03</th>
<th>Total Budget Changes</th>
<th>Budget Appropriation 2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund</strong></td>
<td>40,784,367</td>
<td>(38,264,434)</td>
<td>2,519,933</td>
</tr>
<tr>
<td><strong>Convention Center Revenue Fund (Sch. 16)</strong></td>
<td>24,152,000</td>
<td>(4,952,000)</td>
<td>19,200,000</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>64,936,367</td>
<td>(43,216,434)</td>
<td>21,719,933</td>
</tr>
</tbody>
</table>

### SOURCES OF FUNDS

- **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.

<table>
<thead>
<tr>
<th>Program Changes</th>
<th>Direct Cost</th>
<th>Positions</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changes in Salaries, Expense, Equipment and Special</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Obligatory</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. 2002-03 Employee Compensation Adjustment</td>
<td>103,796</td>
<td>-</td>
<td>103,796</td>
</tr>
<tr>
<td>Related costs consist of employee benefits.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $103,796</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. 2003-04 Employee Compensation Adjustment</td>
<td>366,918</td>
<td>-</td>
<td>366,918</td>
</tr>
<tr>
<td>Related costs consist of employee benefits.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $366,918</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Salary Step Plan and Turnover Effect</td>
<td>1,266,073</td>
<td>-</td>
<td>1,266,073</td>
</tr>
<tr>
<td>Related costs consist of employee benefits.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $1,266,073</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Change in Number of Working Days</td>
<td>41,572</td>
<td>-</td>
<td>41,572</td>
</tr>
<tr>
<td>One more working day. Related costs consist of employee benefits.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $41,572</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Targeted Reductions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Convention Center Revenue Offset</td>
<td>(1,403,500)</td>
<td>-</td>
<td>(1,403,500)</td>
</tr>
<tr>
<td>The Department's expenses are adjusted to reflect the estimated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>decline in operating revenues. The Department's Salaries General</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>account is reduced by $1.09 million from the 2002-03 level of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$9,115,001. The Salaries As-Needed account is reduced by $125,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>from the 2002-03 level of $3,340,167. The Department will continue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a staffing plan designed to achieve salary savings without</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>impacting service levels. Various expense and special accounts are</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>reduced by $188,500 from the 2002-03 level of $9,614,521. The</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department will continue cost-containment measures to maintain</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>current service levels. Related costs consist of employee benefits.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $(1,090,000); SAN $(125,000); SP $(54,000); EX $(134,500)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Changes</td>
<td>Direct Cost</td>
<td>Positions</td>
<td>Total Cost</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td><strong>Changes in Salaries, Expense, Equipment and Special</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Targeted Reductions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. <strong>Deletion of Vacancies</strong></td>
<td>(389,936)</td>
<td>(13)</td>
<td>(552,632)</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One clerical position in Administration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One supervisory position in Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One building operating position in Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Six electrical positions in Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Four service personnel in Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $(389,936)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Related Costs: $(162,696)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Workload</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. <strong>Event and Operational Support</strong></td>
<td>(18,072)</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG $45,192; SAN $(63,264)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Related Costs: $18,072</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfers Between Departments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. <strong>Transfer of Lease Obligation Funding</strong></td>
<td>(42,173,179)</td>
<td>-</td>
<td>(42,173,179)</td>
</tr>
<tr>
<td>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).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SP $(42,173,179)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. <strong>Transfer of Insurance Premiums</strong></td>
<td>(1,141,000)</td>
<td>-</td>
<td>(1,141,000)</td>
</tr>
<tr>
<td>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).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EX $(1,141,000)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Program Changes

<table>
<thead>
<tr>
<th>Changes in Salaries, Expense, Equipment and Special</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other Changes or Adjustments</strong></td>
</tr>
<tr>
<td>10. <strong>Building Maintenance</strong></td>
</tr>
<tr>
<td>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).</td>
</tr>
<tr>
<td>SP $190,000</td>
</tr>
<tr>
<td>11. <strong>Managed Attrition</strong></td>
</tr>
<tr>
<td>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.</td>
</tr>
<tr>
<td>SG $(59,106)</td>
</tr>
<tr>
<td>Related Costs: $(13,895)</td>
</tr>
<tr>
<td><strong>TOTAL CONVENTION AND EXHIBITION CENTER</strong></td>
</tr>
<tr>
<td><strong>(43,216,434)</strong></td>
</tr>
</tbody>
</table>

| 2002-03 Program Budget                         |
| 64,936,367                                     |
| Changes in Salaries, Expense, Equipment and Special |
| **(43,216,434)**                               |

### 2003-04 PROGRAM BUDGET

<table>
<thead>
<tr>
<th>Direct Cost</th>
<th>Positions</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>190,000</td>
<td>-</td>
<td>190,000</td>
</tr>
<tr>
<td>(59,106)</td>
<td>-</td>
<td>(73,001)</td>
</tr>
<tr>
<td>(43,216,434)</td>
<td>(11)</td>
<td></td>
</tr>
<tr>
<td>21,719,933</td>
<td>197</td>
<td></td>
</tr>
</tbody>
</table>
# INDICATORS OF WORKLOAD

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SCHEDULED EXHIBIT HALL EVENTS</td>
<td>94</td>
<td>100</td>
<td>132</td>
<td>105</td>
<td>101</td>
<td>95</td>
<td>85</td>
</tr>
<tr>
<td>OTHER EVENTS *</td>
<td>269</td>
<td>184</td>
<td>211</td>
<td>220</td>
<td>244</td>
<td>205</td>
<td>210</td>
</tr>
<tr>
<td>ATTENDANCE AT EVENTS</td>
<td>2,142,419</td>
<td>2,356,929</td>
<td>2,621,929</td>
<td>1,810,266</td>
<td>1,927,336</td>
<td>1,850,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>AUTOS PARKED PROGRAM **</td>
<td>688,128</td>
<td>733,543</td>
<td>785,575</td>
<td>566,949</td>
<td>573,939</td>
<td>500,000</td>
<td>450,000</td>
</tr>
<tr>
<td>UTILIZATION OF EXHIBIT HALLS</td>
<td>71%</td>
<td>80%</td>
<td>84%</td>
<td>78%</td>
<td>71%</td>
<td>68%</td>
<td>66%</td>
</tr>
</tbody>
</table>

* 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.