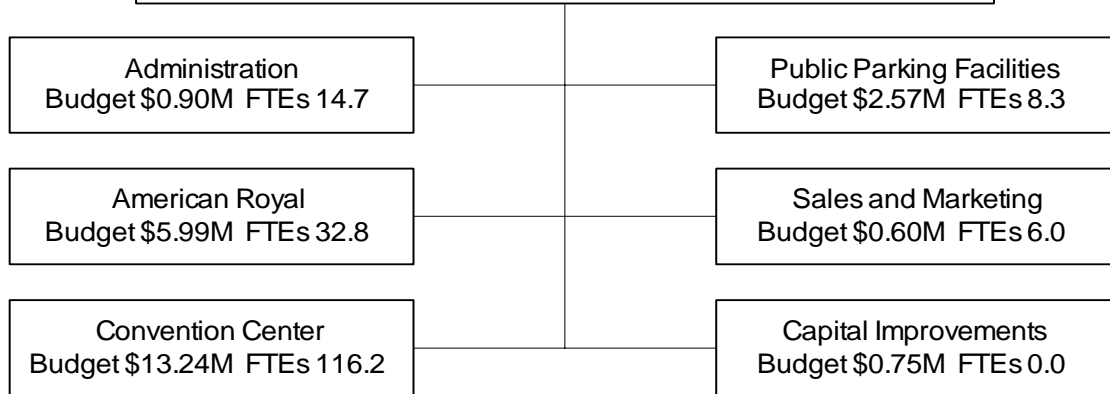


Convention and Entertainment Centers

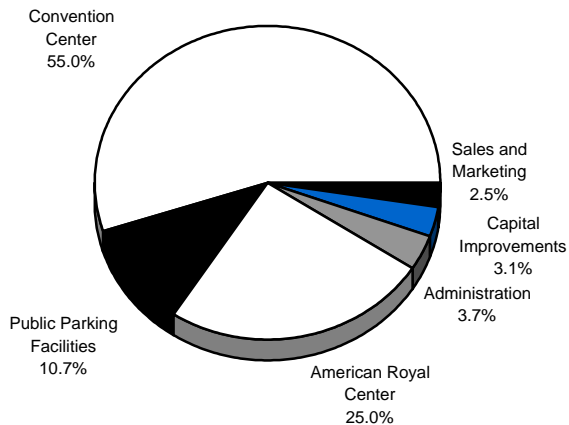
Budget \$24.05M FTE Positions 178.0



Departmental Highlights

- Generate revenues of \$12.72M in 2003-04
- Operate the American Royal Center, home of:
 - American Royal Association Horse Show,
 - Livestock and Rodeo
 - NCAA Men's Wrestling Championships
 - Kansas City Comets

Budget by Program



Workforce Analysis - Full-time Employees

	Male	Female	Total
Management			
Minority	29.0%	8.1%	37.1%
Non-Minority	35.5%	27.4%	62.9%
Total	64.5%	35.5%	100.0%
Labor			
Minority	41.0%	15.0%	56.0%
Non-Minority	36.0%	8.0%	44.0%
Total	77.0%	23.0%	100.0%
Total			
Minority	36.4%	12.4%	48.8%
Non-Minority	35.8%	15.4%	51.2%
Total	72.2%	27.8%	100.0%

Convention and Entertainment Centers

Expenditures by Program

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Administration	\$ 1,120,585	\$ 1,549,721	\$ 894,686
American Royal Center	6,298,905	5,563,299	5,993,477
Convention Center	12,001,394	12,174,475	13,240,609
Public Parking Facilities	1,755,031	2,158,434	2,573,459
Sales and Marketing	629,912	606,095	600,794

Sub-Total Operating Expenses	\$ 21,805,827	\$ 22,052,024	\$ 23,303,025
Capital Improvements	--	800,000	750,000
Total	\$ 21,805,827	\$ 22,852,024	\$ 24,053,025

Expenditures by Appropriation Unit

Personal Services	\$ 7,679,017	\$ 7,556,549	\$ 8,155,421
Contractual Services	13,350,534	13,681,459	14,435,938
Commodities	625,259	540,040	537,690
Capital Outlay	151,017	273,976	173,976
Sub-Total Operating Expenses	\$ 21,805,827	\$ 22,052,024	\$ 23,303,025
Pass Through Payments	--	--	--
Capital Improvements	--	800,000	750,000
Total	\$ 21,805,827	\$ 22,852,024	\$ 24,053,025

Expenditures by Fund

General	\$ 7,075,655	\$ 6,317,944	\$ 6,754,527
Kemper-Butler Garage	42,858	1,343,187	1,714,146
Convention and Tourism	13,216,359	14,468,751	14,864,539
Convention Center Garages	1,470,955	722,142	719,813

Total	\$ 21,805,827	\$ 22,852,024	\$ 24,053,025
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No. of Full Time Equivalent Positions	220.0	224.0	192.0
Less: Anticipated Retirements	--	--	(13.0)
Less: Vacant Position Eliminated	--	(32.0)	(1.0)
Net Full Time Equivalent Positions	220.0	192.0	178.0

Convention and Entertainment Centers

Program: ADMINISTRATION

Sub-Program: ADMINISTRATION

Program Activities

1. Provide organizational leadership and management in sales, finance, and event service, and promote CEC's objectives within city government and the community at large
2. Provide accounting services including event accounting and settlement, accounts payable/receivable, and customer invoicing
3. Provide information technology support to all staff within the Convention & Entertainment Centers

Performance Measures

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Outcome			
1. Economic impact of major convention activity	\$ 386,412,983	\$ 394,179,884	\$ 394,179,884
Output			
1. Number of event days	8,887	10,151	10,200
Efficiency			
1. Average economic impact per event day	\$ 43,481	\$ 38,832	\$ 38,645
Convention and Tourism Taxes Generated			
Restaurant Tax	\$ 12,925,000	\$ 13,467,850	\$ 16,100,000
Hotel-Motel Tax	5,280,000	14,650,000	17,650,000

Expenditures by Appropriation Unit

Personal Services	\$ 1,038,039	\$ 1,128,731	\$ 754,851
Contractual Services	72,713	412,540	97,835
Commodities	9,833	8,450	7,000
Capital Outlay	--	--	35,000
Total	\$ 1,120,585	\$ 1,549,721	\$ 894,686

Expenditures by Fund

General	\$ 148,400	\$ 142,455	\$ 139,600
Convention and Tourism	972,185	1,407,266	755,086
Total	\$ 1,120,585	\$ 1,549,721	\$ 894,686

No. of Full Time Equivalent Positions

	20.0	19.8	19.7
Less: Anticipated Retirements	--	--	(5.0)
Less: Vacant Positions Eliminated	--	--	--
Net Full Time Equivalent Positions	20.0	19.8	14.7

Highlights

The mission of the Administration program is to provide effective and efficient staff support to Convention and Entertainment Center (CEC) personnel and its clients so that repeat and referral business is generated and economic impact to the City is maximized. Funding for CEC's administration program decreases by \$655,035, or 42.3%, from the adopted FY 2002-03 budget due to anticipated retirements in the Department's senior management. CEC staff at all levels, along with many outside stakeholders, participated in a hands-on effort to evaluate the organization's competitiveness and efficiency through Kansas City Government Optimization (KC-GO) in FY 2002-03. Recommendations that came out of that process will continue to be implemented in FY 2003-04, including rate adjustments and a request for proposals (RFP) for the private management of the American Royal Center Complex.

Convention and Entertainment Centers

Program: AMERICAN ROYAL CENTER

Sub-Program: AMERICAN ROYAL CENTER

Program Activities

1. Provide coordination between American Royal staff and clients, acting as a liaison between the customers and event support/maintenance staff
2. Set up and take down all event equipment and provision of time-of-event services including cleaning and support for box office, catering, and concession services
3. Provide various technical support staff to American Royal clients including mechanics, electricians, electronic technicians, and carpenters
4. Provide security services to protect City assets and safety of patrons

Performance Measures

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Outcome			
1. Occupancy (Kemper Arena, Governors' Building, Hale Arena and the American Royal Building)	N/A	46.5%	46.5%
2. Overall client satisfaction rating (scale of 1-5)	4.5	4.5	4.5
Output			
1. Number of event days	738	745	745
2. Total attendance	N/A	972,652	972,652
Efficiency			
1. Average cost per event day	\$ 7,854	\$ 8,451	\$ 7,464

Expenditures by Appropriation Unit

Personal Services	\$ 1,633,963	\$ 1,357,234	\$ 1,558,137
Contractual Services	4,323,399	3,907,025	4,137,500
Commodities	217,431	234,040	232,840
Capital Outlay	124,112	65,000	65,000
Total	\$ 6,298,905	\$ 5,563,299	\$ 5,993,477

Expenditures by Fund

General	\$ 6,298,905	\$ 5,563,299	\$ 5,993,477
Total	\$ 6,298,905	\$ 5,563,299	\$ 5,993,477

No. of Full Time Equivalent Positions

	41.5	40.7	34.8
Less: Anticipated Retirements	--	--	(2.0)
Less: Vacant Positions Eliminated	--	(7.0)	--
Net Full Time Equivalent Positions	41.5	33.7	32.8

Highlights

The mission of the American Royal Center (ARC) is to provide support for promoters, exhibitors, and attendees so that the American Royal Center and Kemper Arena are considered desirable venues for sporting events, concerts, horse shows, and other events. Beginning in FY 2003-04, an accounting change to reflect the full amount of revenues and expenses is included in the budget. Contracted services appear to increase due to this accounting change. Salaries increase \$200,903, or 12.9%, because the FY 2003-04 budget provides funding for some vacant positions (some vacancies were not funded in FY2002-03 due to an anticipated hiring freeze). Net of the accounting change, revenues decrease \$590,000, or 9.2%, to \$5,800,000 due to decreased activity. The Kansas City Knights will not play at Kemper in FY 2003-04. Their league, the American Basketball Association, ended in 2002.

Convention and Entertainment Centers

Program: CONVENTION CENTER

Sub-Program: CONVENTION CENTER

Program Activities

1. Provide coordination between Convention Center staff and clients, acting as a liaison between the customers and event support/maintenance staff
2. Set up and take down all event equipment and provision of time-of-event services including cleaning and support for box office, catering, and concession services for 381 events
3. Provide various technical support staff to Convention Center clients including mechanics, electricians, electronic technicians, and carpenters
4. Provide security services to protect City assets and safety of patrons

<u>Performance Measures</u>	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Outcome			
1. Occupancy, Convention Center Exhibition Halls	N/A	80.1%	80.1%
2. Overall client satisfaction rating (scale of 1-5)	4.5	4.5	4.5
Output			
1. Number of event days	8,869	8,958	8,958
2. Total attendance	N/A	1,218,733	1,218,733
Efficiency			
1. Average cost per event day	\$ 1,353	\$ 1,359	\$ 1,359
<u>Expenditures by Appropriation Unit</u>			
Personal Services	\$ 4,315,539	\$ 4,496,589	\$ 5,204,901
Contractual Services	7,264,104	7,276,310	7,668,782
Commodities	394,846	292,600	292,950
Capital Outlay	26,905	108,976	73,976
Total	\$ 12,001,394	\$ 12,174,475	\$ 13,240,609
<u>Expenditures by Fund</u>			
General	\$ 117,500	\$ 116,865	\$ 116,600
Convention and Tourism	11,740,112	11,855,715	12,958,509
Convention Center Garages	143,782	201,895	165,500
Total	\$ 12,001,394	\$ 12,174,475	\$ 13,240,609
No. of Full Time Equivalent Positions			
	142.9	147.0	120.2
Less: Anticipated Retirements	--	--	(4.0)
Less: Vacant Positions Eliminated	--	(24.0)	(1.0)
Net Full Time Equivalent Positions	142.9	123.0	115.2

Highlights

The mission of the Convention Center is to provide support for promoters, exhibitors, and attendees so that Bartle Hall and the Municipal Auditorium are considered desirable facilities for conventions, trade shows, seminars, and concerts, leading to further economic growth in Kansas City. Beginning in FY 2003-04, an accounting change to reflect the full amount of revenues and expenses is included in the budget. Contracted service expenses appear to increase for this reason when actual expenses remain flat. Salary costs increase an additional \$708,312, or 13.6% over adopted FY 2002-03 in spite of anticipated retirements for several reasons: the Department is charging out more positions to its enterprise funds; the FY 2003-04 budget does not assume any vacant positions (some anticipated vacancies were not funded in FY 2002-03); and thirteen high-turnover positions are funded in the Department, rather than in a contingent account. Net of the accounting change, program revenues from Convention Center business are estimated to be \$5,676,000 in FY 2003-04, an increase of \$151,000, or 2.7% from adopted FY 2002-03.

Convention and Entertainment Centers

Program: PUBLIC PARKING FACILITIES
 Sub-Program: PUBLIC PARKING FACILITIES

Program Activities

1. Monitor the garage operation contracts and provide accounting services
2. Provide maintenance, security, and cleaning of parking facilities operated at the Convention Center and American Royal Complex

Performance Measures

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Outcome			
1. Overall client satisfaction rating (scale of 1-5)	4.0	4.0	4.0
Output			
1. Number of parking stalls maintained	950	1,750	1,750
Efficiency			
1. Revenue generated per parking stall	\$ 1,678	\$ 1,165	\$ 1,165

Expenditures by Appropriation Unit

Personal Services	\$ 205,431	\$ 75,000	\$ 227,238
Contractual Services	1,548,500	1,981,734	2,344,321
Commodities	1,100	1,700	1,900
Capital Outlay	--	100,000	--
Total	\$ 1,755,031	\$ 2,158,434	\$ 2,573,459

Expenditures by Fund

General	\$ 385,000	\$ 395,000	\$ 405,000
Kemper-Butler Garage	42,858	1,243,187	1,614,146
Convention Center Garage	1,327,173	520,247	554,313
Total	\$ 1,755,031	\$ 2,158,434	\$ 2,573,459

No. of Full Time Equivalent Positions

	5.6	6.5	8.3
Less: Anticipated Retirements	--	--	--
Less: Vacant Position Eliminated	--	--	--
Net Full Time Equivalent Positions	5.6	6.5	8.3

Highlights

The mission of Public Parking Facilities is to provide supervision and security/maintenance services to the garage management contractors so that convenient parking is available to the general public at the Municipal Auditorium Garage, Kemper-Butler Garage, and the surface parking lots at the American Royal Complex. Program revenues from parking are estimated to be \$1,424,000 in FY 2003-04, repeating the FY 2002-03 level. Contractual costs increase with the inclusion of a full year of debt service for the Kemper Butler Garage. Positions increase because more positions are charged to the Municipal Auditorium Garage from Convention Center operations.

Convention and Entertainment Centers

Program: SALES AND MARKETING

Sub-Program: SALES AND MARKETING

Program Activities

1. Sell event space to potential customers and handle contract negotiations
2. Execute contracts with permanent tenants, annual clients, and one-time clients

Performance Measures

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Outcome			
1. Overall client satisfaction rating (scale of 1-5)	4.5	4.5	4.5
Output			
1. Number of events booked, net of cancellations			
Convention Center	N/A	323	323
American Royal Center	N/A	163	163
2. Number of contracts executed	510	515	520
Efficiency			
1. CEC revenue generated per contract executed	\$ N/A	\$ 10,726	\$ 10,620

Expenditures by Appropriation Unit

Personal Services	\$ 486,045	\$ 498,995	\$ 410,294
Contractual Services	141,818	103,850	187,500
Commodities	2,049	3,250	3,000
Capital Outlay	--	--	--
Total	\$ 629,912	\$ 606,095	\$ 600,794

Expenditures by Fund

General	\$ 125,850	\$ 100,325	\$ 99,850
Convention and Tourism	504,062	505,770	500,944
Total	\$ 629,912	\$ 606,095	\$ 600,794

No. of Full Time Equivalent Positions

	10.0	10.0	9.0
Less: Anticipated Retirements	--	--	(2.0)
Less: Vacant Positions Eliminated	--	(1.0)	--
Net Full Time Equivalent Positions	10.0	9.0	7.0

Highlights

The mission of Sales and Marketing is to promote, sell, negotiate, and contract for the use of all event facilities including Bartle Hall, Municipal Auditorium, Music Hall, Little Theatre, Barney Allis Plaza, Kemper Arena, Hale Arena, Governors' Building, and upper and lower American Royal Exhibit Halls so that the facilities are occupied and economic activity in Kansas City is enhanced. One vacant secretary position is eliminated in FY 2003-04 and two retirements are anticipated.

Convention and Entertainment Centers

Program: CAPITAL IMPROVEMENTS

Expenditures by Project

	Actual 2001-02	Adopted 2002-03	Estimated 2003-04
Kemper Butler Garage	\$ --	\$ 100,000	\$ 100,000
CEC Facility Maintenance	--	700,000	650,000
Total	\$ --	\$ 800,000	\$ 750,000

Expenditures by Fund

Kemper-Butler Garage	\$ --	\$ 100,000	\$ 100,000
Convention and Tourism	--	700,000	650,000
Total	\$ --	\$ 800,000	\$ 750,000