

For immediate release

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Auditor Issues Events DC Certification of Sufficiency

August 17, 2022 (WASHINGTON) Events DC, the host of conventions, entertainment, sporting, and cultural events in the nation’s capital, has sufficient projected revenues and excess reserve to meet its projected operating and debt service expenditures for fiscal year (FY) 2023, according to the annual sufficiency certification by the Office of the D.C. Auditor (ODCA).

Events DC’s projected FY 2023 revenues and excess reserve should exceed expenditures by approximately \$132.75 million.

On June 28, 2022, Events DC finalized the sale of the land underneath the Marriott Marquis HQ Hotel (District Ground Lease Payment/Plumber’s building) to the owners of the Marriott Marquis Hotel. The proceeds from the sale resulted in a revised sufficiency calculation provided to ODCA after the settlement.

Throughout the annual review, ODCA evaluated and discussed with Events DC personnel the impact of COVID-19 on the organization’s operations. ODCA’s FY 2023 sufficiency certification assumes that WCSA will be operating in a normal fashion, hosting in-person events for the full year.

To conduct the sufficiency review, ODCA relied on representations and other financial information provided by Events DC officials. Information on dedicated tax revenue was provided by outside financial institutions and the Office of the Chief Financial Officer to determine the reliability and sufficiency of Events DC’s projected revenues for FY 2023.

The certification notes that estimates are based on information that can change rapidly, especially in the context of COVID-19, which means the Auditor does not guarantee the validity of revenue, reserve, and expense estimates.

Events DC Fiscal Year 2023 Sufficiency Calculation (in millions)

Category	Amount
Revenues	
Dedicated Tax Estimate	110.06
0.3% Additional Hotel Tax	4.25
TIF Revenue Estimate	10.94
Operating Revenue Estimate	23.64
Interest Income Estimate	5.06
Subtotal Revenues	\$ 153.94
Reserves	
Beginning Cash Balance Over the Required Minimum Reserves	154.25
Sum of Projected FY 2023 Revenues and Excess Reserve Estimate	\$ 308.19
Expenditures	
Debt Service	29.61
Operating Expenditures	79.67
International Marketing and Partnership Agreements	17.60
Projected 0.3% Additional Hotel Taxes to DDC	4.25
Possessory Interest Tax	1.20
Business Development	4.00
Capital Improvement Exp	39.12
Sum of Projected FY 2023 Expenditures	\$ 175.44
Projected Revenue and Excess Reserve Estimate Over Projected Expenditures (End of Fiscal Year)	
	\$ 132.75

Source: WCSA Cash and Investment Manager. Minor differences in subtotals due to rounding.

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