

BRING YOUR IMAGINATION

In 2015, we celebrated the ambitious imaginations of our talented employees, innovative clients and dedicated local partners.

With each new fold, we created new possibilities and transformed what it means to be Events DC.



The ancient art of paper folding, also known as origami, has long been celebrated for its unique ability to transform a single sheet of paper into anything the mind imagines.



I joined Events DC as Chairman of the Board in April 2015, and it's been a whirlwind of activity since then. I am very excited about what we accomplished in several short months – and where we're going in 2016 and beyond.

One of my favorite projects from 2015 will have a swift impact on its immediate neighbors. As development in the Shaw corridor exploded over the past two years, one gap remained: street-facing retail at the Walter E. Washington Convention Center. Many thanks to the tenacious team at Streetsense for their hard work. I can't wait to welcome our new retailers in 2016.

We also made a significant announcement regarding a massive project that is a long time coming. The future Entertainment & Sports Arena planned for the Ward 8 Congress Heights neighborhood will breathe new life into this overlooked neighborhood and generate much-needed jobs.

Meanwhile over at the 190-acre RFK Stadium-Armory Campus, redevelopment remains in the works. That didn't stop us from making the most of this property and hosting a number of fun events in 2015 like the Wipe Out Run and Stevie Wonder pop-up concert (still kicking myself that I missed it).

Finally, the phenomenal Events DC team, my dedicated board, and I are working hard to ensure that we remain competitive and ahead of the trends in a very demanding market. Based on our success in 2015, I am confident that we will come out strong.



Max Brown
Chairman of the Board
@EventsDCChair

If I had to summarize 2015 for Events DC, one short phrase would do it: We pushed the boundaries of what's possible. We hosted, produced and supported more than 450 events. We welcomed more than 1.8 million people. We helped fuel an estimated \$415M+ in visitor spending for DC.

Pushing boundaries comes down to the committed, creative, and hard-working people within our three divisions. Conventions and Meetings hosted 13 major events at the Walter E. Washington Convention Center and numerous smaller events around the city, while earning some of our highest customer-service delivery scores.

Our Sports and Entertainment team booked a sell-out July 4 concert at Robert F. Kennedy Memorial Stadium featuring the Foo Fighters and conceived innovative “pop-up” events with DC-native rapper Wale and Stevie Wonder. Not be outdone, Special Events created the very first Landmark Music Festival on the National Mall, an event that celebrated music, culture, and DC's amazing energy.

We also worked on community-focused initiatives that I am particularly excited about. New retail tenants will be taking over street-facing spaces at the Convention Center in 2016. Community meetings continued as we prepare for the redevelopment of the RFK campus. And we partnered with the Mayor's Office to help residents gain work readiness skills and experience following incarceration.

I'm very proud of the economic impact we had in 2015, but I'm equally proud that Events DC continues to help make DC a great place to visit, live, work and play – for residents and visitors.



Gregory A. A'Dell
President and CEO
[@EventsDCPrez](#)



LEXUS

THE ALL-NEW
2016 LEXUS

We hosted a record number of events at the Walter E. Washington Convention Center and Carnegie Library at Mt. Vernon Square.

We activated events outside of venues and embraced our capabilities and partnerships in new ways.

We showcased a diverse music landscape in DC and pushed innovation and technology in new directions, helping DC land on the list of Forbes “America’s Coolest Cities.”

We hosted so many wellness and fitness events that DC was named the fittest city in the U.S. – for the second year in a row.

FY15 By the Numbers



450+
EVENTS



1.8
MILLION
People Through Our Doors



\$415+
MILLION
Generated in Direct Delegate
Spending

PLUS...



300,000+
Hotel rooms were
booked as a result
of our events.



\$4+
BILLION
Of total spending
has been generated
through our events
since 2003



Imagination will often
carry us to worlds
that never were. But
without it we go
nowhere.

- *Carl Sagan*

Charting New Waters

We broke away from the expected and expanded our footprint in DC. The result? New experiences and events across the city, from DC's first music festival on the National Mall to pop-up concerts and yoga on the lawn.

In 2015, the diverse music landscape of the city was front and center.



The boat, long a symbol of journeys to the unknown, was the perfect symbol for the new waters we charted in 2015.

LANDMARK MUSIC FESTIVAL

The National Mall as the Ultimate Stage

For the first-time ever, Washington, DC hosted an epic music festival on the National Mall, and as a sponsor, we had a front row seat to the action. Much more than a concert, the Landmark Music Festival transformed the grounds of West Potomac Park into a music and culinary destination. Festivalgoers were immersed in a truly unforgettable two-day extravaganza. More than 40 artists performed on five stages in front of a massive crowd, while off stage, attendees enjoyed curated food options and Events DC's much-buzzed about activation. We provided phone-charging stations and an audio bar where attendees could cool down with shaved ice and continue to experience the sounds of the DC music scene.







FOO FIGHTERS

An Anniversary to Remember

Summer storms couldn't stop the Foo Fighters from wowing the crowd during their epic 20th Anniversary concert, which we hosted on July 4. More than 50,000 ecstatic fans filled RFK Stadium to hear the star-studded lineup of musical guests, including Buddy Guy, Heart, Joan Jett, LL Cool J, and Red Gold Green (RDGLDGRN).



POP-UP THINKING

Connecting on the Fly

Why create one free last-minute concert when you can organize two? Events DC hosted DC native Wale in April, who entertained 1,500 fans during The Concert About Nothing in the H Street corridor. Four months later, we partnered with Live Nation Entertainment to bring legendary recording artist Stevie Wonder to the RFK Stadium-Armory Campus on a Monday morning in August.

ZEDD

Dancing The Night Away

One of the world's hottest DJs brought the largest concert production we have ever seen or hosted to the DC Armory in October. Anton Zaslavski, aka Zedd, had fans dancing all night in front of his massive 82 foot wide stage and wall-to-wall LED screens - a spectacle that we won't soon forget.



THE 2015 WORLD POLICE AND FIRE GAMES OPENING CEREMONY

Hosting Our Nation's Heroes

We hosted more than 12,000 first responder athletes from 70 countries at RFK Stadium for the World Police & Fire Games Opening Ceremony on June 26. For two weeks, athletes competed in 61 sporting events in 53 different venues across the region, generating an estimated \$60 to \$80 million during a traditionally slow period for the city.



Niche Thinking Brings Big Impacts

Creative space allocation has changed our thinking

One of our long-term goals is to better utilize smaller spaces for niche events. In 2015, this strategy came together for us.

WANDERLUST 108

Known as the world's kindest triathlon, the Wanderlust Festival brought a truly unique event to the RFK Stadium-Armory Festival Grounds in September.

SOULS AND SPIRITS

On a Saturday night in September, yogis took over the West Lawn of Carnegie Library at Mt. Vernon Square to practice yoga with Silent headphones.



SNEAKER MANIA

For sneakerheads everywhere, DC was the place to be in Spring 2015.

Where the Magic Happens

We work tirelessly to help bring amazing experiences to life.

Behind every great event is great people – and we are lucky to have some of the most imaginative, customer-focused people in the business. Our work has a significant economic impact on DC. In 2015, we brought \$415+ million in spending to the city.

CONVENTIONS & MEETINGS

Conventions, meetings and tradeshows are our bread-and-butter, allowing us to showcase our beautiful city and deliver events of any size that consistently exceed expectations.

364
EVENTS

1M+
ATTENDEES

\$415M+
DIRECT SPENDING

SPORTS & ENTERTAINMENT

Our team works diligently to bring a wide variety of world-class sports, entertainment, cultural and hospitality events to venues across DC.

94
EVENTS

614K+
ATTENDEES

SPECIAL EVENTS

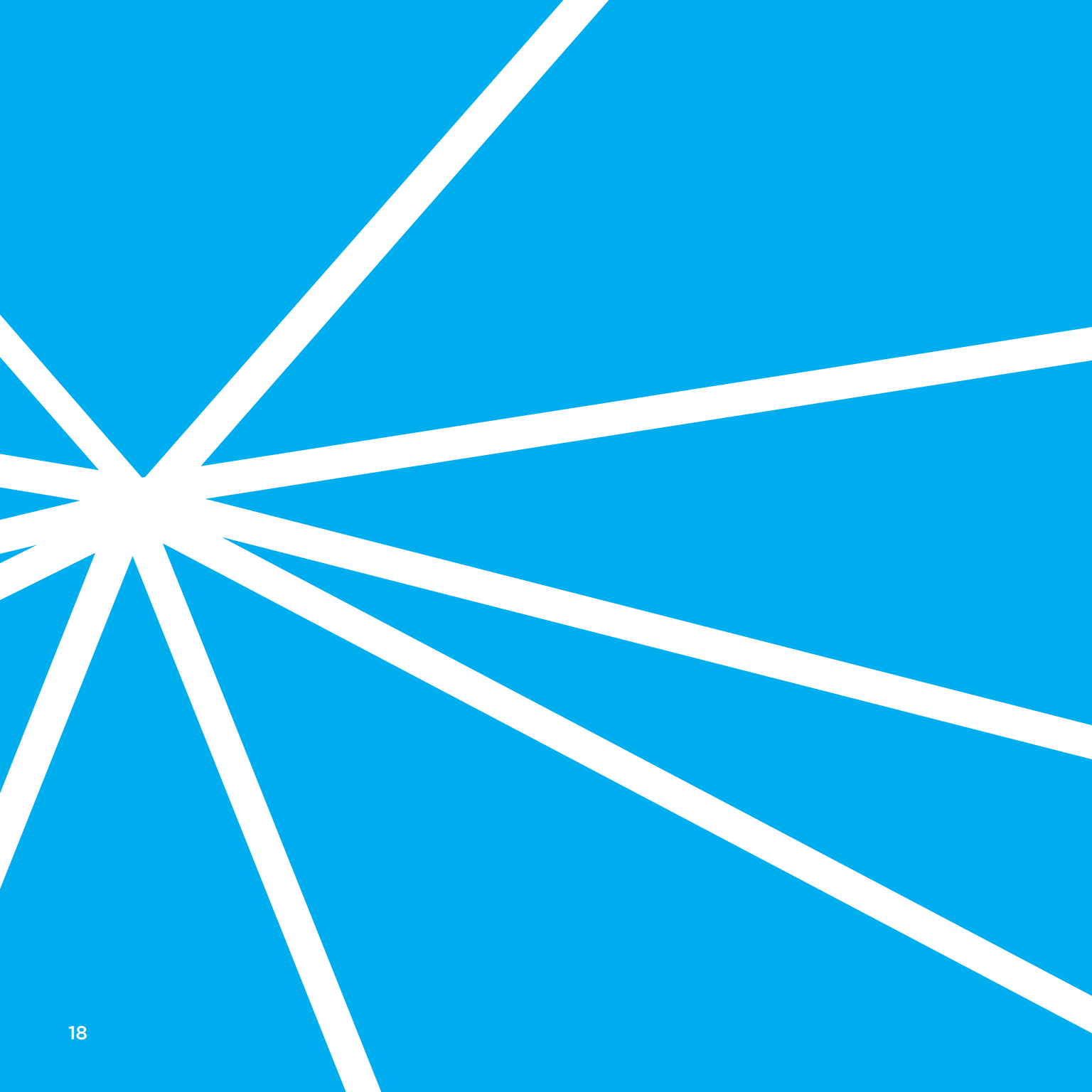
We help plan some of the city's most anticipated events and partner with outstanding properties, a range of organizations, and historic neighborhoods to bring them to life.

30+
EVENTS

1.8M+
ATTENDEES



“Bring Your Imagination” is a campaign designed to invite the planner to expect the unexpected with Events DC venues. The ads are designed to visually intrigue and surprise you with a juxtaposition of the unexpected occurring in our venues.





An idea is
salvation by
imagination.

- *Frank Lloyd Wright*

Transforming the Event Experience

Innovation and technology redefined the event experience in 2015. Take the AT&T Nation's Football Classic[®], which we expanded this year to include TechNoir, a startup technology showcase, Wonderlust, a triathlon that combines a 5k with yoga and meditation, and a music showcase during the H Street Festival.



The butterfly continues to represent the power and beauty in transformation.



ON THE GO! DASDAK BRING MOBILE ORDERING TO THE WALTER E. WASHINGTON CONVENTION CENTER

Uber-style services
inside the convention
center

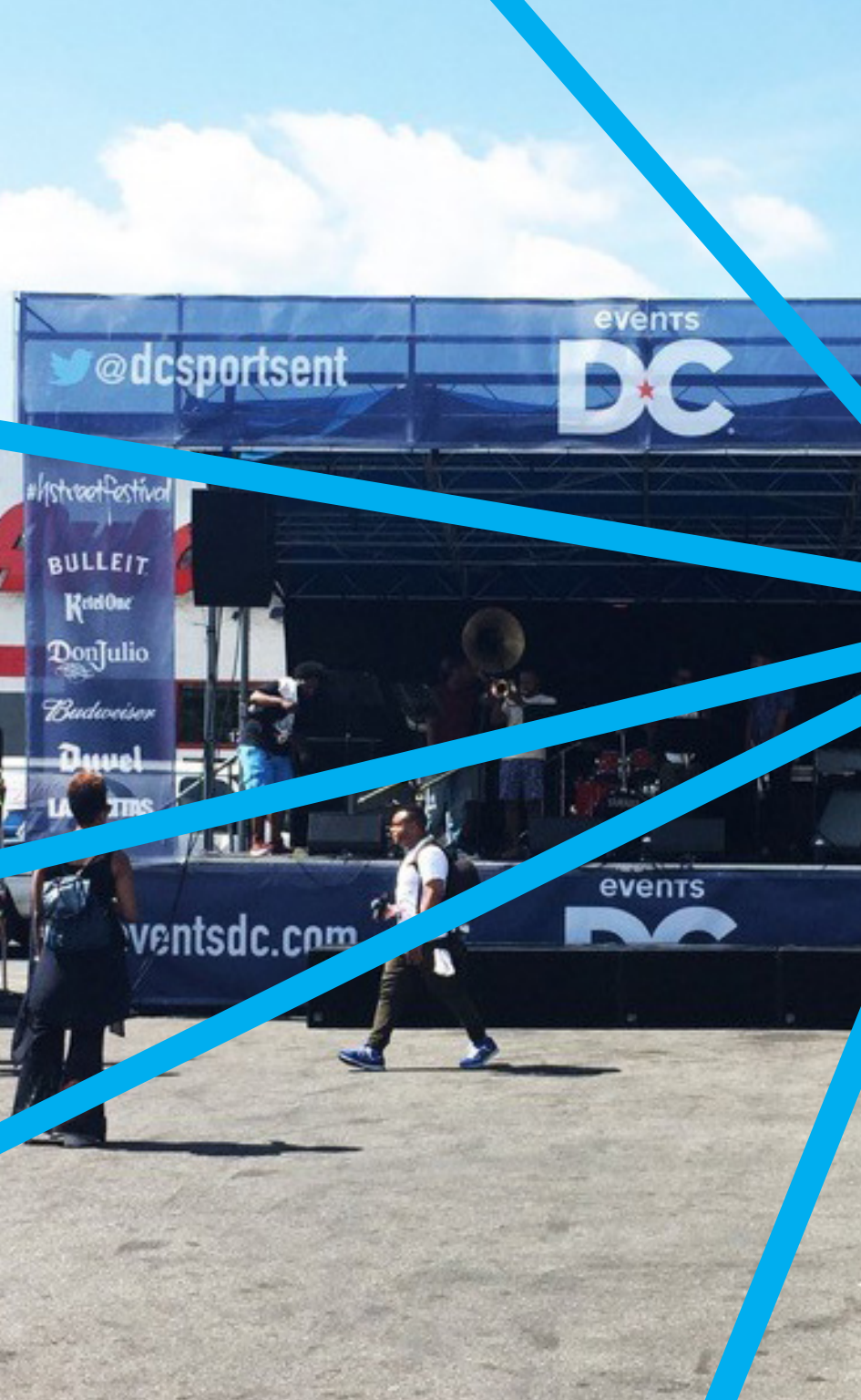
Events DC partnered with DAsdak to truly elevate the exhibitor experience at the Walter E. Washington Convention Center. Using DAsdak's on-demand mobile ordering platform, exhibitors can now order food and beverages to be delivered right to their booth - making us the first convention center in the U.S. to do so.

BIZBASH PLAN-A-THON

Brainstorming the next
big thing

How do you surprise and delight your audience yet again? What is new and innovative in the special events world? These questions were on the mind of top event planners as they gathered at the Carnegie Library at Mt. Vernon Square for the Plan-A-Thon in December, which we hosted with BizBash. Inspiration swirled through the air as BizBash CEO and founder, David Adler, and a team of event all-stars brainstormed fresh ideas in workshops, presentations, and during cocktails and networking.





H STREET FESTIVAL

A block party for the whole neighborhood

As part of AT&T Nation's Football Classic® weekend, we presented a music showcase of local bands and performers during the H Street Festival. Named Best Neighborhood Festival by Washington City Paper, the daylong event features countless activities, performances, restaurants and vendors spanning 10 blocks of H Street NE.



New Thinking is Leading to New Experiences

Redefining what “powerful events” mean

We’re excited to continue to expand our relationships with partners and clients that are always looking to the push the limits.

HOLOGRAM DEMO AT CARNEGIE LIBRARY

Picture a speaker at your event appearing as a “speaking” hologram – in today’s world, it can happen! Events DC hosted 3LINKS Technologies at the historic Carnegie Library where they showcased life-sized holographic demonstrations.

2.0: THE NEW MEDIA PARTY DURING THE WHITE HOUSE CORRESPONDENTS WEEKEND

Event Farm turned the New Media Party at the Carnegie Library into a technology-fueled wonderland. Disco balls lowered from the ceiling, allowing guests to download music during live performances from Ghost Beach and DJ Sylo.

DINER EN BLANC

The perfect dinner meets the perfect spot

Imagine watching hundreds of people, dressed all in white and toting all-white picnic supplies, stream out of the Metro to set up a grand “diner en blanc” on the lawn of the Carnegie Library. Nearly 2,500 people did just that in August. If you didn’t score an impossible-to-get invite this year, you have time to think of possibilities for next year.



DC JAZZ FESTIVAL

Soul-stirring music in perfect settings

As part of the city's beloved homegrown jazz festival, we teamed up festival organizers to present two fantastic events in unusual settings. The Yards Park on the Anacostia River was a week-end-long event featuring cool music, jazz extensions, and first-class performers

like Common and Esperanza Spalding in a gorgeous riverfront setting. Jazz in the 'Hoods, meanwhile, brought jazz performances to more than 45 clubs, restaurants, museums, libraries, loft spaces, and hotels across the District.



AWESOME CON

The one-stop comic and pop culture stop

Washington DC's premier comic and pop culture convention continued on its growth trajectory when it returned to the Walter E. Washington Convention Center to the delight of more than 50,000 fans. Celebrity guests popped up all weekend, exhibitors sold the best of everything pop culture, and the Kid's Zone kept the youngest attendees entertained over three fun-filled days.

NEW RETAIL STRATEGY

Vibrant retail spaces on the way

NEW RETAIL SPACES ON THE WAY

Today, Shaw represent some of the hottest real estate in the city. Our partnership with Streetsense is the next phase of this evolution. Look for a vibrant mix of shopping and dining in 2016!

Where We Make Magic Happen

Events DC calls several unique venues “home”: The Walter E. Washington Convention Center, Carnegie Library at Mt. Vernon Square, RFK Stadium-Armory Campus and Nationals Park. Let’s take a look at where the magic happens.



Walter E. Washington Convention Center

- Opened 2003
- 703k total sq. feet
- 77 meeting rooms
- \$4M art collection
- Metro accessible
- Heart of downtown DC
- Name changed 2007



Carnegie Library at Mt. Vernon Square

- Opened 1903
- 75k sq. feet of eventspace
- Nine ornate rooms
- Reopened for events 2012
- Dedicated by Theodore Roosevelt and Andrew Carnegie
- Metro accessible
- Heart of downtown DC



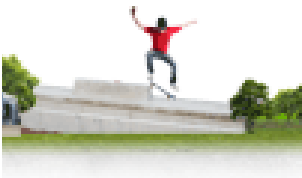
RFK Stadium

- Opened 1961
- 45,423 capacity
- 19,647 MLS capacity
- Natural grass playing field
- Modern amenities and club rooms
- Parking for 10,000 cars
- Metro accessible
- Renamed RFK Stadium 1969



DC Armory

- Opened 1941
- 70k sq. feet of space
- 10k seating for sports and theater
- 4.5k seating for cabaret/formal
- Modernized amenities
- Parking for 10,000 cars
- Metro accessible



Maloof Skate Park at RFK Stadium

- Opened 2011
- 15,000 sq. feet
- Open year round (dawn to dusk)
- Inspired by DC's Freedom Plaza
- Metro accessible



RFK Festival Grounds

- 110 acres
- Includes 10 parking lots
- 1.7 mile race track
- Open-air grounds for large-scale festivals and concerts
- Parking for 10,000 cars
- Metro accessible



Nationals Park

- Opened 2008
- Seating capacity: 41,546
- First major stadium to receive U.S. LEED Certification
- Natural playing grass
- Metro accessible
- Recipient of the U.S. Green Building Council's "Silver Status"



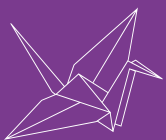
The man who has
no ***imagination*** has
no wings.

- *Muhammad Ali*



Building On Our Good Fortune

Returning events provide the foundation for Events DC's growth and success – and record-setting. In March and April, we held an astonishing 55 events at the Carnegie Library at Mt. Vernon Square and Walter E. Washington Convention Center. In September, we hosted 30+ fitness and endurance events at the RFK Stadium-Armory Campus, helping DC retain its status as fittest city in the nation.



The crane, one of the most famous paper creations, is associated with happiness and good fortune.

OUR MARKETING PARTNERS





CAPITOL HILL VOLLEYBALL CLASSIC TOURNAMENT

Scoring big wins at the net for DC

A record 900+ girls volleyball club teams returned to DC for the Ninth Annual Capitol Hill Volleyball Classic in February for this dynamic citywide event. Twelve thousand young women, ages 10-18, competed on a net-

work of 119 volleyball courts in the Walter E. Washington Convention Center – and the 35,000 players and attendees drove an economic impact of \$18.9M in three days.

DC Shines Across the board



**#1 Strongest Economy
in the US**
POLCOM, 2013



#1 New Tech Hot Spot
Forbes, 2013



Best-Educated City in America
UCLA Anderson Forecast, 2012



Top 10 Most Walkable City
Walkscore.com, July 2013



**Top 5 Best US City
for a Vacation in 2015**
US News and World Report



#1 Coolest US City
Forbes, 2014



#1 Fittest US City
American College of Sports Medicine, 2014,
2015, 2016



**Top Departure City
for International Travel**
Cardhub.com, 2013



Top 10 Best Convention City
USA TODAY, March, 2014

Wellness & Fitness

DC Holds Its Title As Fittest City In the U.S.

WELLNESS MONTH

In 2015, Washington, DC was named the Fittest City in the US for the second year in a row – and our enhanced wellness and fitness programs at our venues and across the city definitely played a part in this recognition. In September, known as “Wellness Month” in DC, we surprised even ourselves when we broke the record for the number of fitness events on RFK Stadium’s Festival Grounds, as well as other venues and beyond.

WASHINGTONIAN FIT FEST

In partnership with Washingtonian Magazine, the second annual women-only fitness event at the Carnegie Library enhanced DC’s reputation as a fit city.

NBC4 HEALTH & FITNESS EXPO

Thousands of visitors ready to eat well, sleep better, and have fun while getting fit headed to the ever popular NBC4 Health & Fitness Expo at the Walter E. Washington Convention Center in January – a great way to start the new year.

ROCK ‘N’ ROLL MARATHON CHALLENGE

Great strides for DC

Runners were invited to participate in two Rock ‘n’ Roll races over one weekend in March. As part of the Capital City Challenge, they ran on Saturday morning in Washington, DC before flying to Mexico City for a half marathon on Sunday night – and more than 20K+ took advantage of this fun and unique opportunity.



Rock'n'Roll

MARATHON & 1/2 MARATHON
WASHINGTON DC

presented by
CareFirst 



- Rock'n'Roll MARATHON SERIES
- CareFirst 
- BROOKS 
- GARMIN 
- TRANSAMERICA 
- G 
- ULTRA 
- PowerBar 
- BUILD IT. 
- WIS 



WIPE OUT RUN

Crazy in a fun way!

In June, the RFK Festival Grounds were transformed into a 5K obstacle course based on the popular ABC show, Wipe Out. Participants faced crazy obstacles like “Wrecking Balls”, “Sweeper,” and “Big Balls” as friends and family cheered them on.





LIFE IN COLOR

A new way to paint the city

Life in Color brought the world's largest paint party back to DC with their "Big Bang - The Creation of Color" World Tour.



COLOR ME RAD

Colorful fun for a colorful city

RFK Festival Grounds became extra colorful during the Color Me Rad fun run. Loosely based on the Hindu Festival of Colors, run participants faced volunteers armed with liquids, powders, and gels in blue, green, pink, purple, and yellow.

MORE THAN JUST A GAME





AT&T NATION'S FOOTBALL CLASSIC®

The rivalry continues

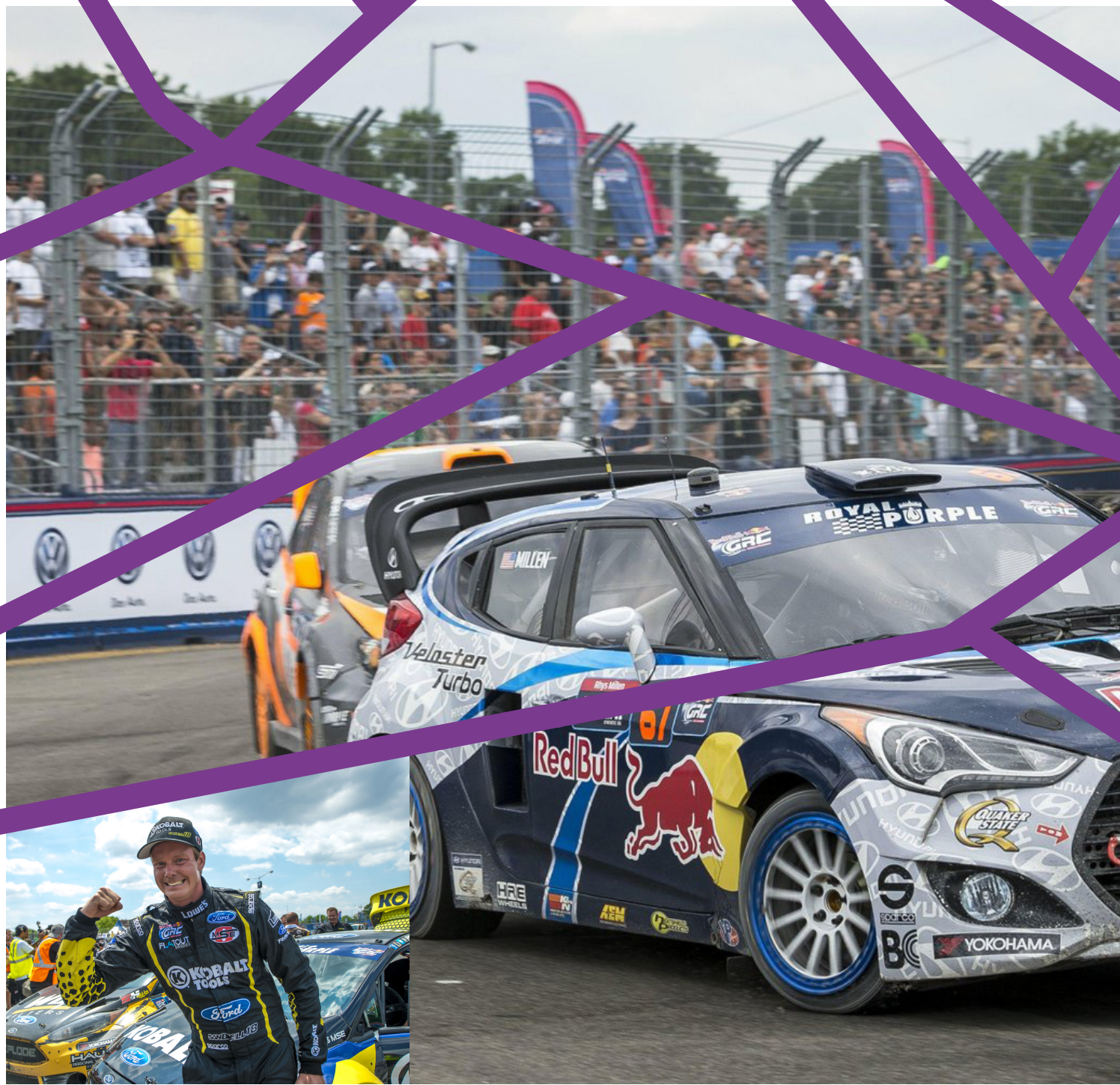
Howard University faced Hampton University in the fifth annual AT&T Nation's Football Classic® at RFK Stadium, part of a week-long celebration of the heritage, service, unity and tradition of historically black colleges and universities.



TECHNOIR

The class takes on innovation

Events DC and Ghost Note partnered to produce TechNoir: The Innovators Classic. This celebration of black excellence in technology and entrepreneurship included a pitch competition for cash and prizes and a showcase of the innovative products that black-owned startups are developing.





RED BULL GLOBAL RALLYCROSS

Major horsepower returned for a second year

Following a triumphant, adrenaline-filled debut in 2014, the Red Bull Global Rallycross returned to DC in August. Presented by Volkswagen, the event featured 600 horsepower cars tearing around a custom track and flying over a 70-foot jump on the grounds of the RFK Stadium-Armory Campus.

“Last year, in our first race ever in the city, we were able to set the attendance records for a standalone event, proof that the area is hungry for more racing action. We look forward to competing in such a fantastic city for years to come.”

Red Bull GRC CEO Colin Dyne



US JUNIOR NATIONAL BASKETBALL TOURNAMENT/NIKE NATIONAL CHAMPIONSHIPS

Hooping it up one of the largest tournaments around

One of the largest tournaments in the country brought more than 500 all-female basketball teams from around the country to the Walter E. Washington Convention Center over one weekend in late July.

Growth for Conventions & Meetings

ALZHEIMERS ASSOCIATION INTERNAL CONFERENCE AT WALTER E. WASHINGTON CONVENTION CENTER

Imagine eradicating the sixth-leading cause of death in the United States? That's the goal of the Alzheimer's Association, the largest national voluntary health organization dedicated to advancing Alzheimer's research – and they brought their 2015 conference to DC.

DRUG INFORMATION ASSOCIATION AT WALTER E. WASHINGTON CONVENTION CENTER

The Drug Information Association's (DIA) Annual Meeting brings together professionals involved in the development, discovery and life cycle management of biotechnology, pharmaceuticals, medical devices and related health care products.

NATIONAL BOOK FESTIVAL

We were delighted to celebrate the fifteenth anniversary at the Library of Congress National Book Festival when it returned to the Walter E. Washington Convention Center in September. We kicked off the festival with a Twit-

ter pre-party that generated nearly 575,000 impressions and many lively conversations. During the festival, attendees had access to an astonishing and diverse array of more than 175 authors, poets and illustrators throughout 18 pavilions.

NATIONAL CHERRY BLOSSOM FESTIVAL

As the lead sponsor for the National Cherry Blossom Festival, we poured our imagination into making the 2015 Festival the best one yet. Spanning three weeks and four weekends, more than 1.5 million participants attended dozens of free events and used their spending power to drive significant economic impact.

BEST OF DC

After casting their votes, readers eagerly await the annual Best of DC results in the Washington City Paper, and we always look forward to celebrating the winners at one of the most lively parties in the city. Fifty area restaurants, food trucks, a beer tent, cocktails from top mixologists, and live music on multiple stages greeted winners and attendees during the Best of DC party at the Carnegie Library at Mt. Vernon Square.

Vibrant Sponsorships

The Citi Open tennis tournament, Washington Kastles tennis games, and Washington International Horse Show are sporting events that are woven into the fabric of Washington, DC. As an organizing partner, we are proud to work towards their continued growth and success.



NATIONAL FOOTBALL LEAGUE PLAYERS ASSOCIATION INTERNSHIP PROGRAM

We teamed up with the National Football League Players Association for their annual externship program, designed to help players gain valuable hands-on business experience for their post-NFL career. The New England Patriots' Justin Green and former Baltimore Raven Ryan Bartholomew fit right in with our Communications and Marketing and Government Relations Departments.

In The Community

Supporting our neighbors

Diving into community programs has always been a priority for Events DC, and in late 2015, we took it one step further. We committed to working with the community on one event every month. A few highlights:

Military Bowl Youth Clinic

We sponsored a youth football clinic for more than 120 young athletes from DC in partnership with the Military Bowl and DC Parks and Recreation.

2015 DC Electric Vehicle Grand Prix

Our local high school students put the STEM lessons learned in the classroom to practical use as they constructed and raced electric vehicles.

Carnival at RFK

Two hundred DC residents received free tickets to attend this annual fair, which is filled with non-stop family fun.

Living Classrooms Tour of RFK Stadium

An educational program called Living Classrooms brought a group of DC students to RFK Stadium for a tour and to learn about various jobs in sports.

WORK READINESS AND SKILLS TRAINING PROGRAM

Helping female returning citizens

In 2015, DC Mayor Bowser announced new programs to help residents gain work readiness skills and experience following incarceration. Events DC and the Congress Heights Community Training & Development Corporation joined forces to help female returning citizens master customer service and other key skills during a 14-week course.

ANACOSTIA RIVERWALK CLEAN-UP

Working together to take care of our resources

In partnership with the Anacostia Watershed Society, we lead a team of volunteers to clean up the Anacostia Riverwalk Trail adjacent to the RFK Stadium-Armory Campus



Around the Corner

Using our success in 2015 as a springboard, we are prepared to make 2016 the best year yet. Can we exceed our own expectations? Stay tuned.

2016 AND BEYOND

*Inspired to
exceed.*



ENTERTAINMENT AND SPORTS ARENA IN WARD 8

Events DC have partnered with DC Mayor Bowser and Monumental Sports & Entertainment to bring a new entertainment and sports arena to the historically underserved Ward 8. The \$55 million joint venture will become the future practice facility for the Washington Wizards and home court of the Washington Mystics. It is projected to produce an astonishing \$90 million in new tax revenues over 20 years.



MLB ALL STAR GAME '18

In 1969, Richard Nixon became President, the first man walked on the moon, Woodstock became a household name, and DC hosted their first and last MLB All-Star Game. We are working the Washington Nationals and elected and corporate leadership of DC to bring the All-Star Game back in 2018.

#DCisReady



RFK CAMPUS FUTURE

We continue to work closely with residents and gather input on the future of RFK Stadium, Maloof Skate Park, and Festival Grounds.



NEW RETAIL TENANTS

We will be welcoming new tenants to the Walter E. Washington Convention Center in 2016, including a high-end diner, a locally inspired grocery store, a craft cocktail bar, and more. Collectively, the leases with these businesses represent a 10-year revenue of \$7 million while injecting new life into our flagship venue.

The Bottom Line

While we're excited about what we were able to accomplish in terms of the reimagining the event experience, we're even more proud of making sure we keep our eye on the bottom line.

To the Mayor and Council of the Government of District of Columbia Board of Directors of Washington Convention and Sports Authority.**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS**

We have audited the accompanying financial statements of Washington Convention and Sports Authority (the Authority), a component unit of the Government of the District of Columbia, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The

procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2015, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of the Authority as of and for the year ended September 30, 2014, were audited by another auditor whose expressed an unmodified opinion on those statements on January 28, 2015.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of net position by fund and schedule of revenues, expenses, and changes in net position by fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of net position by fund and schedule of revenues, expenses, and changes in net position by fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to

the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of net position by fund and schedule of revenues, expenses, and changes in net position by fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2015 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Government of the District of Columbia's internal control over financial reporting and compliance.



Washington, DC
December 20, 2015

As management of Washington Convention and Sports Authority (Authority) doing business as Events DC, we present this Management's Discussion and Analysis (MD&A) of the Authority's financial condition and the results of operations for the years ended September 30, 2015 and 2014. This discussion is a narrative overview and analysis of our financial activities and should be read in conjunction with the accompanying financial statements.

Introduction

On October 1, 2009, in accordance with the Washington Convention Center Authority (WCCA) and D.C. Sports and Entertainment Commission (DCSEC) Merger Amendment Act of 2009, D.C. Law 18-111, D.C. Sports and Entertainment Commission was absorbed as a program of the WCCA and its mission, responsibilities and assets were transferred to WCCA. Following the transfer, the WCCA was renamed the Washington Convention and Sports Authority. This transfer created one umbrella organization with a broadened charter for increasing economic development through the promotion of key sports and entertainment offerings, as well as major national and international conventions, meetings and special events held in the District of Columbia (the District). As part of the Amendment Act, the District's Department of General Services (DGS) became responsible for the facility maintenance tasks previously performed by the D.C. Sports and Entertainment Commission.

To further the effort of the expanded mission, the Authority created a new brand identity, "Events DC," on June 22, 2011. The new name is the centerpiece of a marketing effort intended to draw more events to the convention center, RFK Stadium, the DC Armory and Carnegie Library at Mount Vernon Square. The new name is also designed to align with the existing brands for Washington D.C. and the city's tourism arm, Destination DC.

About Our Business

The Authority operates three distinct business divisions that generate significant regional economic impact by attracting conventions, tradeshow, sports and entertainment and other special events. The Convention & Meetings Operations Division includes the Walter E. Washington Convention Center (WEWCC) and Carnegie Library at Mt. Vernon Square which generate event-related revenues primarily from the sale and use of meeting and exhibition space and other ancillary services such as commissions on telecommunications, audio-visual, electrical and catering services. The Sports and Entertainment Division (SED), which includes Robert F. Kennedy Memorial Stadium, the DC Armory, and the surrounding Festival Grounds, and functions as landlord for Nationals Park. SED generates revenue primarily from hosting a full season of DC United major league soccer games and other entertainment and community events. Through the Special Events Division, the Authority is actively involved in the planning and support of some of the city's most anticipated events, attracting thousands of attendees to locations around the city which bring economic impact to our nation's capital.

Fiscal Year 2015 Financial Highlights

- Net position increased by \$38 million or 16%, when compared to the fiscal year ended September 30, 2014. Significant factors contributing to the \$38 million increase in the net position included a \$11 million increase in dedicated taxes, and a \$14.2 million increase in TIF revenue coupled with an increase in operating revenue of \$3.3 million.
- Operating expenses remained flat compared to the same period last year.
- Operating revenues increased by \$3.3 million or 13% from fiscal year 2014, resulting in total operating revenues of \$28.6 million.
- The Authority's long-term debt, excluding current maturities, decreased to \$618.5 million or 3% compared to fiscal year 2014, mainly due to payment of the scheduled current portion of debt outstanding.
- The Statements of Cash Flows reflect an increase in cash and cash equivalents of \$2.5 million.
- The Authority's bonds are rated "A1" by Moody's, "A" by Standard & Poor's Corporation and "A+" by Fitch Rating Services.

Fiscal Year 2014 Financial Highlights

- Net position increased by \$6.1 million or 3%, when compared to the fiscal year ended September 30, 2013.
- Operating expenses increased by \$6.4 million or 8% from fiscal year 2013, due to increases in personnel services and depreciation expenses.
- Operating revenues decreased by \$1.2 million or 4% from fiscal year 2013, resulting in total operating revenues of \$25.3 million.
- Assets plus deferred outflow of resources exceeded liabilities by \$239.8 million at the end of fiscal year 2014, a 3% increase over fiscal year 2013.
- The Authority's long-term debt, excluding current maturities, decreased to \$638.1 million or 4% compared to fiscal year 2013.
- The Statements of Cash Flows reflect a decrease in cash and cash equivalents of \$2.3 million.
- The Authority's bonds are rated "A1" by Moody's, "A" by Standard & Poor's Corporation and "A+" by Fitch Rating Services.

(1) Overview of the Financial Statements**The Authority's financial report includes Management's Discussion and Analysis, the Financial Statements, and Notes to the Financial Statements.**

- The Financial Statements are designed to provide readers with a broad overview of the Authority's financial activities in a manner similar to a private-sector business. These financial statements are prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) as applied to governmental units on a full accrual basis. Under this basis of accounting, revenues are recognized in the period they are earned, while expenses are recognized in the period they are incurred. Depreciation and amortization of capital and deferred assets are recognized in the Statement of Revenues, Expenses, and Changes in Net Position. The basic financial statements include the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows. This report also includes notes accompanying the statements to fully explain the activities detailed therein.
- The Statements of Cash Flows present information showing how the Authority's cash and cash-equivalents position changed during the fiscal years. The Statements of Cash Flows classify cash receipts and cash payments resulting from operating activities, capital and related financing activities, noncapital financing activities and investing activities.
- The Statements of Net Position present information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources is classified as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- The Statements of Revenues, Expenses and Changes in Net Position report both the operating and non-operating revenues and expenses and other changes in net position for the end of the fiscal year.

Table 1 - Condensed Statements of Net Position

(in thousands)

				Percentage change	
	2015	2014	2013	2015-2014	2014-2013
Current assets	\$ 133,765	\$ 114,424	\$ 97,689	17%	17%
Current assets, net of accumulated depreciation	554,825	581,821	616,969	-5%	-6%
Other non-current assets	247,860	219,350	219,030	13%	0%
Total Assets	\$ 936,450	\$ 915,595	\$ 933,688		
Deferred outflow of resources	15,688	16,871	19,622		
Total Assets and Deferred Outflow of Resources	\$ 952,138	\$ 932,466	\$ 953,310		
Current liabilities	\$ 55,827	\$ 54,575	\$ 57,125	2%	-4%
Noncurrent liabilities	618,535	638,116	662,551	-3%	-4%
Total Liabilities	\$ 674,362	\$ 692,691	\$ 719,676		
Net Position:					
Investment in capital assets	151,890	162,200	176,359	-6%	-8%
Restricted	114,030	113,225	112,112	1%	1%
Unrestricted	11,856	(35,650)	(54,837)	-133%	-35%
Total Net Position	\$ 277,776	\$ 239,775	\$ 233,634	16%	3%

(2) Financial Analysis

The Authority's audited Statements of Net Position (p. 53) and Statements of Revenues, Expenses and Changes in Net Position (pgs. 55-56) are included here. A Statements of Cash Flows can be found online as part of the FY15 Complete Financial Documents.

2015

The Authority's overall financial position improved during fiscal year 2015. The total net position at September 30, 2015 was \$277.8 million a 16% increase over September 30, 2014 net position, of \$239.8 million. Of the Authority's net position, \$152 million, or 55% represents investment in capital assets and \$114 million or 41% represents resources that are subject to external restriction on how they may be used (primarily related to the Authority's bond indenture reserve requirements). The remaining balance of \$12 million or 4% is unrestricted.

Some of the 2013 balances presented have been reclassified and adjusted to reflect the implementation of Governmental Accounting Standards Board (GASB) Statement No. 65 that resulted in a change in financial reporting for deferred inflows and outflows of resources and a change in accounting in principle.

2014

The total net position of the Authority increased by \$6.1 million or 3% for the year ended September 30, 2014. As of September 30,

2014, the Authority had total net position amounting to approximately \$239.8 million, with the largest portion of the Authority's net position, \$162 million, or 68%, reflecting its investment in capital assets used to acquire the assets. Of the Authority's remaining net position, \$113 million, or 47%, represents resources that are subject to external restrictions on how they may be used (primarily related to the Authority's bond indenture reserve requirements).

The Authority uses its capital assets to fulfill its mission of promoting conventions, tourism and sports and entertainment events in the District of Columbia. The resources to repay the debt are derived from dedicated tax collections which are composed of (i) 4.45% sales and use tax on hotel room charges and (ii) a 1% sales and use tax on restaurant meals, alcoholic beverages consumed on premises and rental vehicle charges in the District of Columbia and TIF revenue transfers.

Table 2 - Revenues, Expenses and Changes in Net Assets

(in thousands)

				Percentage change	
	2015	2014	2013	2015-2014	2014-2013
Operating Revenues:					
Building Rental	\$ 10,316	\$ 9,508	\$ 10,030	8%	-5%
Plumber's Building Rental	2,300	-	-	100%	NA
Ancillary Charges	15,988	15,842	16,475	1%	-4%
Total Operating Revenues	\$ 28,604	\$ 25,350	\$ 26,505	13%	-4%
Operating Expenses:					
Personal Services	\$ 23,092	\$ 21,929	\$ 19,964	5%	10%
Contractual Services	17,432	18,267	18,207	-5%	- %
Depreciation	31,890	36,368	30,510	-12%	19%
Occupancy	9,085	5,803	6,925	57%	-16%
Payments to District	2,378	1,995	2,292	19%	-13%
Miscellaneous	1,009	822	915	23%	-10%
Bad debt	231	117	100	97%	17%
Total Operating Expenses	\$ 85,117	\$ 85,301	\$ 78,913	0%	8%
Operating Loss	\$ (56,513)	\$ (59,951)	\$ (52,408)	6%	14%

Table 2 - Revenues, Expenses and Changes in Net Assets (con't)

(in thousands)

				Percentage change	
	2015	2014	2013	2015-2014	2014-2013
Non-Operating Revenues and (Expenses):					
Investment Income	\$ 2,744	\$ 3,322	\$ 614	-17%	441%
Dedicated Taxes	116,448	105,451	104,108	10%	1%
Tax Increment Financing (TIF) Taxes	18,298	4,131	-	343%	100%
Miscellaneous	2,634	2,792	3,085	-6%	-9%
Bond Interest and Amortization					
Issue costs	(33,340)	(35,395)	(35,835)	-6%	-1%
Marketing agencies payments	(12,270)	(10,578)	(10,844)	16%	-2%
Funding Hotel Project	-	(1,335)	(95,197)	-100%	-99%
Funding Baseball Academy	-	(2,296)	(7,925)	-100%	-71%
Total Non-Operating Revenues and (Expenses)	\$ 94,514	\$ 66,092	\$ (41,994)		
Change in Net Position	\$ 38,001	\$ 6,141	\$ (94,402)	519%	-107%
Net Position, Beginning of Year	239,775	233,634	337,439	3%	-31%
Change in Accounting Principle	-	-	(9,403)	NA	100%
Net Position, End of Year	\$ 277,776	\$ 239,775	\$ 233,634	16%	3%

Analysis of changes in Net Position

Revenues: For the fiscal years ended September 30, 2015 and 2014, the Authority's operating revenues were \$28.6 million and \$25.4 million respectively.

2015

Operating revenues increased by \$3.3 million or 13% compared to the previous year. The \$3.3 million increase in operating income reflects a \$2.3 million revenue generated from the first year operations from the leased Plumber's building, an \$808,000 increase in building rental from events operation and a \$146,000 increase in ancillary charges such as: audio visual, equipment rentals, room set-up fees, and fees earned from ATMs installed inside the Convention Center.

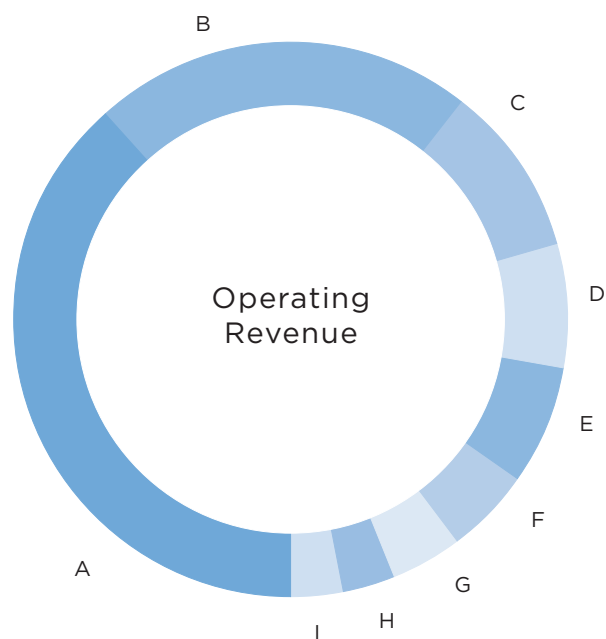
During fiscal year 2015, non-operating revenues of \$140.1 million increased by 21% compared to fiscal year 2014. This was due to the first full year in which TIF revenue were received by the Authority and increased in the dedicated taxes.

2014

Operating revenues decreased by 4% compared to fiscal year 2013. The net decrease is attributed to the nature of events and the amount of revenue derived from each event hosted during the year. There was one less city-wide event held in fiscal year 2014 that contributed to 4% decrease in revenue compared to fiscal year 2013. Ancillary charges decreased by 4% in fiscal year 2014 as a result of less demand for food services, electrical and rigging services, a reflection of the type of events hosted during the fiscal year. Parking, retail office space rental and advertising revenues also contributed to the decrease. Miscellaneous income sourc-

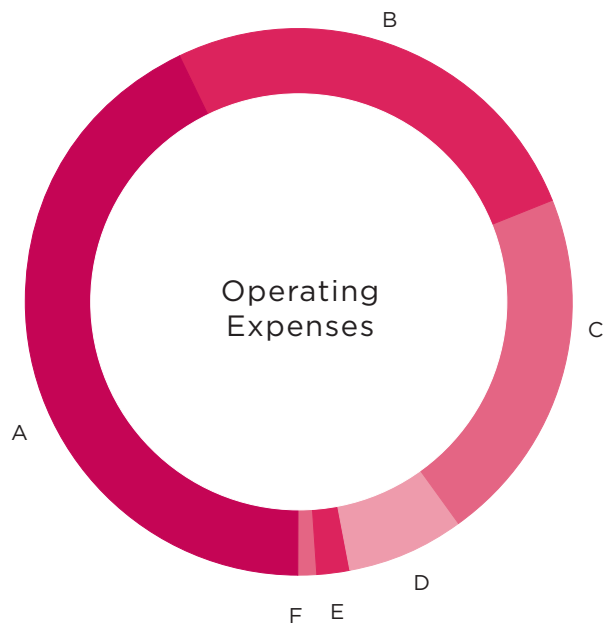
es including trash hauling charges, special meeting room setup charges, equipment rental, and fees earned from ATMs installed inside the Convention Center were less than prior year which also contributed to the decrease in operating revenues.

During fiscal year 2014, non-operating revenues of \$115.7 million increased by 7% compared to fiscal year 2013. The increase represents the first year of receiving TIF revenues as well as an increase in interest income from a \$25 million promissory note entered with Marriott Marquis Headquarters' Hotel, LLC. The growth was offset by a reduction in interest income related to investment and miscellaneous income.



2015 Operating Revenue By Source
(in thousands)

A	36%	Building Rental \$10,316
B	20%	Food Services \$5,749
C	10%	Miscellaneous \$2,931
D	8%	Plumber's Building Rental \$2,300
E	7%	Electrical \$1,854
F	5%	Telecommunications \$1,567
G	4%	Advertising & Sponsorship \$1,156
H	4%	Rigging \$1,089
I	4%	Parking \$1,063
J	2%	Retail & Office Space Rental \$579



2015 Operating Expenses By Category
(in thousands)

A	37%	Depreciation \$31,890
B	27%	Personnel Services \$23,092
C	21%	Contractual Services \$17,432
D	11%	Occupancy \$9,085
E	3%	Payments to District \$2,378
F	1%	Miscellaneous \$1,240

To read the Fiscal Year 2015 complete financial statements, visit:
www.eventsdc.com/AboutUs/Governance/FinancialDisclosures.aspx



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