Cajundome $430K in the red

Four employees laid off, two positions frozen

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LAFAYETTE — The Cajundome is experiencing its worst financial year in its 19-year history, and Director Greg Davis said he has been forced to lay off four employees.

A $120,000 loss from Louisiana IceGators hockey contributed to the poor financial condition, but the Cajundome Commission is allowing the team another season to improve attendance.

“We just experienced a terrible year,” said Cajundome Commission member and UL Lafayette President Ray Authement.

As of May 31, the Cajundome and Convention Center’s expenses exceeded revenue by $437,933. Seven months into the fiscal year that ends Oct. 31, the arena had spent 87 percent of its annual budget.

A 1985 intergovernmental agreement between arena owner UL Lafayette and Lafayette Consolidated Government prohibits the Cajundome from losing more than $500,000 a year. That is the maximum amount Consolidated Government will subsidize the Cajundome, Davis said.

Davis vowed Monday to hold losses to less than $500,000 through cuts, including the layoffs of four workers and freezing two positions.

“If we exceed $500,000 and we violate the contract, it’s time for me to submit my resignation,” Davis said.

Contributing to the financial problems are an extra $168,000 a year in insurance premiums since Sept. 11, terrorist attacks, Convention Center losses, higher-than-expected event costs such as parking attendants, and repair and maintenance costs on an aging arena, Davis said.

Losses for the Louisiana IceGators, which set a league attendance record in 1996-97, are contributing to the Cajundome’s losses. The team was purchased last year by local investors who signed a five-year contract with the arena with provisions to limit the Cajundome’s losses.

Even though attendance dropped to about 2,100 per game — below the 3,000 per game required in the team’s Cajundome contract — the Cajundome Commission agreed to allow the team to play another year in the arena.

If attendance at IceGators games does not improve next year, Davis said, he will recommend that the commission not renew the contract for 2005-06.