



Georgia World  
Congress Center  
Authority

# BOARD OF GOVERNORS MEETING

JULY 30, 2019

# Approval of Minutes June 25, 2019

FINANCIAL

# Financial Update

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**Janet Arsenault**

**Sr. Director of Finance**

# Financial Snapshot - June 2019

FINANCIAL

**Profit/  
Loss**



Georgia World  
Congress Center



CENTENNIAL  
OLYMPIC PARK

**Actual**

**\$(1,210,110)**

**Budgeted**

**\$ (646,362)**



**Customers**

(Estimated)

**265,766**



**Economic  
Impact**

(Estimated)

**\$114.2M**

# Financial Year-end Results

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Profit/  
Loss



Georgia World  
Congress Center



**Actual YTD \$8,314,473**

**Budgeted YTD \$2,405,512**



H/M Tax

Actual

**\$7.2M**

Budget

**\$6.8M**

>5.47%

FY18

**\$6.5M**

>11.28%



Customers

(Estimated)

**4,087,268**



Economic  
Impact

(Estimated)

**\$1.7B**

# Financial Year-end Results

FINANCIAL

**Profit/  
Loss**



Georgia World  
Congress Center



**Actual YTD \$8,314,473**

**Budgeted YTD \$2,405,512**

**GWCCA NET PROFIT**

**Capital  
Projects**



**\$3.5M**

**Hotel  
Expenses**



**\$1M**

**OPEB  
Trust Fund**



**\$700K**

**Fund  
Balance**



**\$2.5M**

Questions?

SALES

# FY19 Sales Update

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**Joe Bocherer**  
Chief Commercial Officer

**Brad Minton**  
Director of Sales



# Performance Summary: GWCC Events

SALES

RENTAL	# of Events	Budgeted Goal	Achieved	Difference	% Achieved	ITYFTY*
FY2019	241	\$14,900,000	\$15,1714,097	\$271,097	102%	\$1,003,348
FY2018	229	\$12,551,546	\$13,672,314	\$1,120,768	108%	\$985,013
FY2017	248	\$12,731,503	\$12,692,179	(\$39,324)	99.70%	\$925,820

\*ITYFTY = In the Year, for the Year

# FY19 Heavy Hitters

SALES



May 21-23, 2019  
Georgia World Congress Center  
Atlanta, GA  
#citrixsynergy | citrixsynergy.com

**CITRIX**  
Synergy

Microsoft Business Applications Summit

June 10 – 11, 2019 | Atlanta, GA



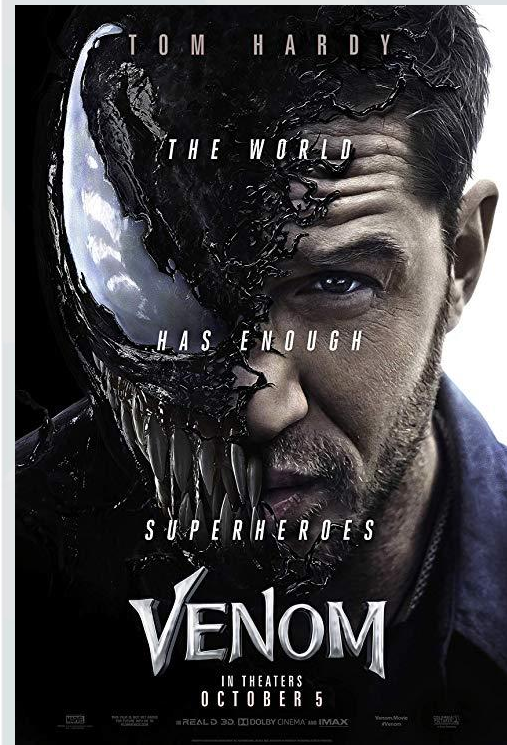
JUN 18-19  
Primerica Convention Comes Home to Atlanta for 2019





# The Camera is Still Rolling...

SALES



Salma Hayek on GWCCA set of 'Limited Partners'



Facebook Watch Presents  
**QUEEN AMERICA**



# FY19 Sales Production

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FY19 Total Sales Team Production	Total	Goals	Percentage Achieved
Rental	\$ 20,998,211	\$ 19,688,945	107%
Contracted Catering Food & Beverage (Gross)	\$ 19,069,008	\$ 10,910,000	175%
Total Room Nights	1,011,219	839,064	121%



# ROI: BC Exhibit Hall Expansion

SALES



# PACE / TAP Report

SALES

City Data*	2019	2020	2021	2022	2023	2024	2025	2026	Total
Definite Room Nights	890,089	748,577	788,128	589,307	339,453	298,616	125,282	258,959	4,038,411
PACE Targets	837,319	794,605	717,202	506,797	323,687	245,637	172,800	66,131	3,664,178
Variance	52,770	-46,028	70,926	82,510	15,766	52,979	-47,518	192,828	374,233
Percentage	106%	94%	110%	116%	105%	122%	73%	392%	110%
Tentative Funnel	167,201	677,228	813,825	592,182	836,969	838,102	1,026,168	779,208	
Annual Funnel Unconfirmed	0	54,883	65,837	166,897	328,227	392,576	423,247	308,081	

\* Calendar year

# FY19 Takeaways

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1. ITYFTY Event Rental Revenue booked was a Super Bowl winner: \$1,003,348
2. Future PACE is on track by 110%
3. New Exhibit Hall expansion has been sold

Questions?



SALES

# Levy End-of-Year Update

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Jeffrey Kern

General Manager,  
Levy Restaurants

# Interesting Facts

SALES

- Completed over **18,000** services in Premium and Catering
  - Does not include \$5.6M in retail sales
- Exceeded budget in 9 of 12 months
- Budgeted, unspecified revenue was \$3M, achieved \$5.3M. Most notable:
  - Ernst & Young \$1.2M
  - Coca-Cola Holiday Party \$0.8M
  - Microsoft \$1.9M
  - Amazon \$0.3M
- Year-long planning for Super Bowl 53: budgeted \$2.1M, achieved \$4M
- Successful back-to-back-to-back execution of Heating and Air, Super Bowl 53, and IPPE

# Financial Results

SALES

## FY 19 Highlights:

- Exceeded budgeted Sales by \$6.2M
- Exceeded budgeted Return to GWCC by \$4.2M
- Return Rate percentage: 38%

	ACTUAL	BUDGET	VARIANCE
SALES	\$26,372,366	\$20,144,149	\$6,228,127
RETURN TO GWCCA	\$10,009,611	\$5,782,899	\$4,226,712

	FY19	FY18	FY17	FY16	FY15
5-Year Historical Return Rate %	38%	28.5%	37% (Microsoft Ignite )	33%	33.5%

# Forward Looking

SALES



Improved, modern coffee services



Clean “Market Style” set-up for retail sales and meeting room services

# New Concepts

SALES



Mobile coffee and beer “E-Tuk” carts – can be used for public sales or purchased by Exhibitors to attract attendees to exhibits



# State-of-the-Art Point of Sale System

SALES



- Total replacement of current POS system by the end of August 2019. Highlight of benefits include:
  - Cloud-based wireless technology eliminates hard data lines
  - Switch to flex pricing in minutes; ties into digital menu boards
  - Can target any area to make changes
  - Real-time reporting; accessible by mobile devices
  - QR code distribution to groups (exhibitors, show management) for easy discounting
  - Accepts all types of payment (Apple pay, etc.)
  - Sets stage for move toward cashless environment

# “The People Project”

## **The Challenge: How to recruit, train, and retain a world class staff?**

- Have undergone a thorough wage analysis of the Atlanta market
  - Adjusting various pay rates to be competitive and attract talent
- All current employees to receive mandatory re-certification training in hospitality and service
  - No increases until criteria is met
- Less reliant on temporary employees; build a larger staff that has vested interest in GWCC

Questions?



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# Hotel Project

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Finance Committee  
Recommendation

# GWCCA Cash Reserve Balance

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➤ Projected Available Cash @ 6/30/19	\$22,575,171*
➤ Less 90 Day Operating Reserve	\$13,994,250
➤ Less FY19 Reserve Request	\$ 4,800,000
➤ Projected Balance Net of Reserves	\$ 3,730,921

\* Includes hotel expenses already paid

# Current Hotel Reserve Amount

- \$5 million approved November 2017
- \$500K approved May 2018
- \$1 million approved May 2019
  
- Total current hotel reserve - \$6.5 million

# Total Cash to Bond Closing

- Gensler - \$10.6 million
- Drew - \$2.2 million
- Other Consultants - \$1.4 million
- Other Costs (including legal) - \$800K
  
- Total - \$15 million

# Recommendation

- GWCCA Contribution
  - \$6.5 million (previously approved)
  - \$3.5 million (additional from cash reserves)
  - \$10 million
- Line of Credit
  - \$5 million – to be repaid from bond proceeds
- Total – \$15 million

**With this Resolution the Board essentially would authorize the Executive Director to execute and draw against a non-revolving credit facility with Regions Bank (the credit limit of which would be \$5,000,000)**

Questions?

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# Executive Session

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Personnel Committee  
Recommendation



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# Next Meeting

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August 27, 2019