



Georgia World
Congress Center
Authority

BOARD OF GOVERNORS MEETING

MAY 21, 2019

Approval of Minutes April 30, 2019

AUTHORITY

Electric Scooter Update

Chief Paul Guerrucci
GWCCA Public Safety

Timeline Review

- March 29th Introduce Temporary Ban Complete
- April 15th Soft Enforcement on Ban Active Enforcement
- Establish operator working group Complete
- Regulation Definitions Complete
- April 26th Operators Meeting Complete
- May 6th Signage around campus Complete
- May 8th Social Media release Complete
- May 14th Operators Meeting Complete
- May 21th Board meeting update

Campus View

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4.31.4.1

The operation of any motorized or horse drawn vehicle or carriage, including automobiles, buses, trucks, motorcycles, motorized bicycles, mopeds, segways, golf carts or other electric carts, all-terrain vehicles, snowmobiles, motorized skates, motorized skateboards, or motorized scooters, which is used for the transportation of the operator of the vehicle or carriage with or without passengers in any part of the facilities other than roads passing through or adjacent to the facilities or in designated parking areas, is prohibited unless such operation is authorized in writing by the Executive Director.

Questions?

Approval of Campus Ordinance By Board of Governors

FINANCIAL

April Financial Update

Janet Arsenault

Sr. Director of Finance

Financial Snapshot – April 2019

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**Profit/
Loss**



Georgia World
Congress Center



Actual **\$1,241,498**

Budgeted **\$491,033**

Actual YTD **\$8,806,862**

Budgeted YTD **\$2,216,703**



H/M Tax

Actual

\$5.9M

Budget

\$5.7M

>4.6%

FY18

\$5.3M

>12.6%



(Estimated)
Customers

240,980



**Economic
Impact**

(Estimated)

\$218.8M

Questions?

FINANCIAL

FY20 Budget

Janet Arsenault

Sr. Director of Finance

- **FY19 Forecast Update**
- **FY20 Proposed Budget**
- **FY19 Surplus Recommendation**

FY19 Forecast Update - Revenue

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REVENUE	FY19 Budget	Projection 2nd Quarter	Projection 3rd Quarter	Variance
Rental	\$ 14,900,000	\$ 15,757,987	\$ 15,479,015	\$ (278,972)
Food & Beverage	5,782,900	7,978,312	9,110,284	\$ 1,131,972
Exhibit Utility Service	9,940,425	10,025,506	11,374,906	\$ 1,349,400
Parking	9,240,885	10,194,509	11,051,808	\$ 857,299
Hotel/Motel Tax	6,815,201	6,923,413	7,109,628	\$ 186,215
Contract Labor/Services	3,617,140	4,234,171	4,376,702	\$ 142,531
Telecom/Audio	1,676,772	1,691,871	2,395,155	\$ 703,284
Advertising/Sponsorship	1,942,000	1,593,722	1,868,350	\$ 274,628
Land Lease	2,550,000	2,550,000	2,550,000	\$ -
Other	1,533,999	1,639,724	1,776,532	\$ 136,808
Total Revenue	\$ 57,999,322	\$ 62,589,215	\$ 67,092,381	\$ 4,503,166

FY19 Forecast Update - Expenses

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	FY19	Projection	Projection	Variance
	Budget	2nd Quarter	3rd Quarter	
Personnel Services	32,441,389	32,962,461	32,746,876	\$ (215,585)
Regular Operating	11,619,129	15,298,355	16,154,165	\$ 855,810
Equipment Purchases	279,972	398,786	393,945	\$ (4,841)
Per Diem/Fees/Contracts	6,894,788	5,495,134	5,623,826	\$ 128,692
Projects	1,500,000	1,848,087	1,361,819	\$ (486,268)
Computer Charges/Other	2,858,532	2,908,330	2,944,300	\$ 35,970
Total Expenses	\$ 55,593,810	\$ 58,911,153	\$ 59,224,931	\$ 313,778

FY19 Forecast Update - Total

FINANCIAL

	FY19	Projection	Projection	Variance
	Budget	2nd Quarter	3rd Quarter	
Total Revenue	\$ 57,999,322	\$ 62,589,215	\$ 67,092,381	\$ 4,503,166
Total Expenses	\$ 55,593,810	\$ 58,911,153	\$ 59,224,931	\$ 313,778
OPERATING PROFIT	\$ 2,405,512	\$ 3,678,062	\$ 7,867,450	\$ 4,189,388

FY20 Organizational KPIs

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TEAM
Own It!

CUSTOMER
Strive For 5

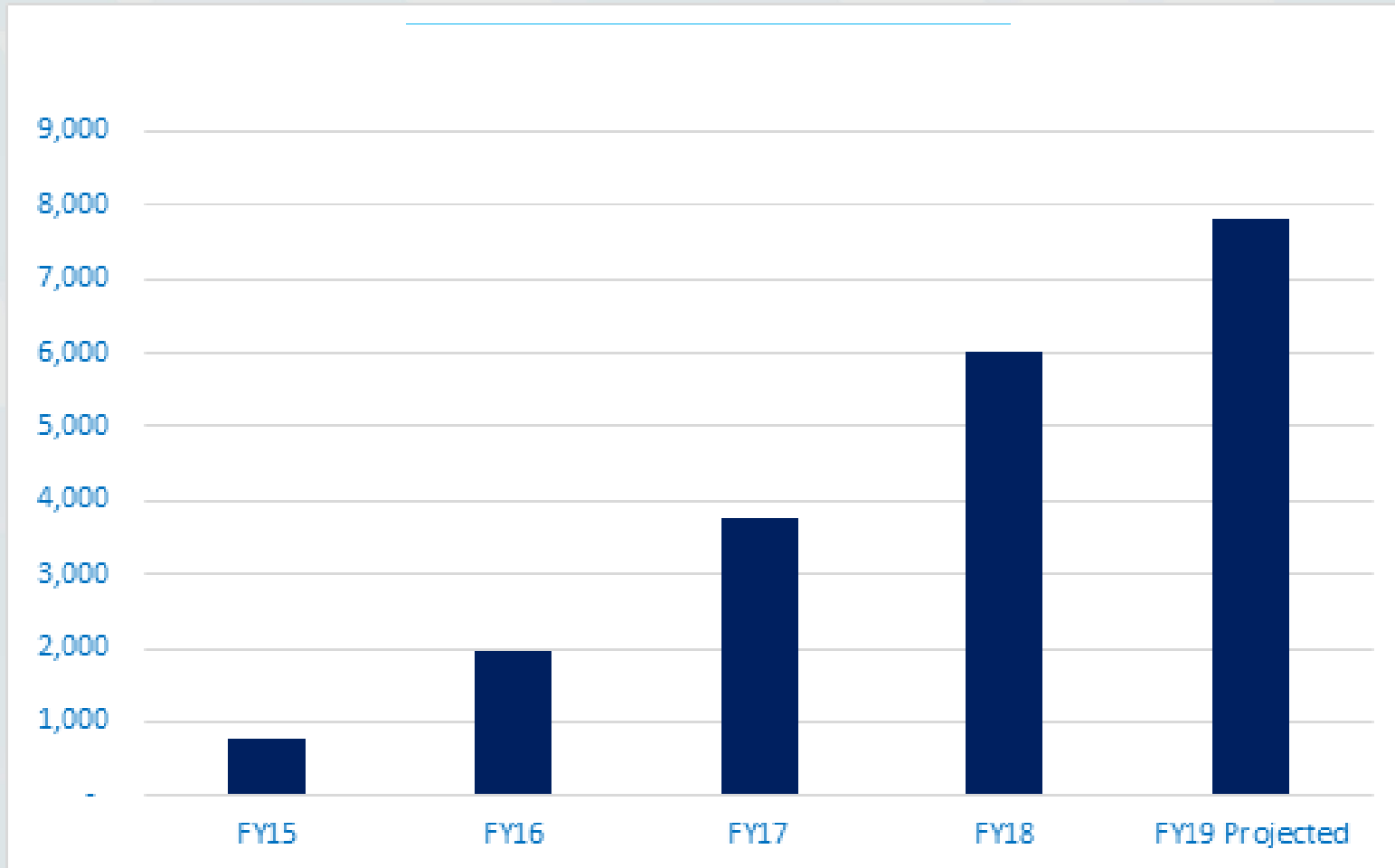
FACILITIES
Make It Better



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Fiscal Responsibility

Historical Net Operating Income

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FY20 Key Budget Influencers

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- **Organizational KPIs**
 - ✓ **Facilities: Vertical Circulation**
 - ✓ **Customer Experience: Traffic Management**
 - ✓ **Financial: Budgeting/Data Analytics**
- **Final Four vs. Super Bowl**

FY20 Budget Highlights - Revenue

Overall, 10% or \$6.5M decrease compared to FY19

- Food and Beverage (\$1.6M)
- Utility Services (\$1.4M)
- Parking (\$2M)

FY20 Forecast (Board Retreat 9.19.18)

Revenue

Rental	15,645,000
F&B	6,072,045
Utilities	9,028,304
Parking	9,425,703
H/M	7,155,961
Contract Labor	3,506,202
Land Lease	-
Telecom/Audio	
Visual	1,794,146
Other	4,129,290
	<u>56,756,651</u>

Expenses

Personnel Services	27,078,971
Temp/OT/Show Labor	8,430,464
Operating Expenses	<u>20,467,565</u>
	<u>55,977,000</u>

Net Profit: \$779,651

Land Lease Payment: \$2,627,010

FY20 Revenue - Detail

<u>REVENUE</u>	Projection	Budget	Variance	
	FY 2019	FY 2020		
Rental	\$ 15,479,015	\$ 14,800,000	\$ (679,015)	
Food & Beverage	9,110,284	7,500,000	(1,610,284)	
Exhibit Utility Service	11,374,906	10,012,100	(1,362,806)	
Parking	11,051,808	8,551,223	(2,500,585)	
Hotel/Motel Tax	7,109,628	7,350,000	240,372	
Contract Labor/Services	4,376,702	3,906,730	(469,972)	
Telecom/Audio	2,395,155	2,414,329	19,174	
Advertising/Sponsorship	1,868,350	2,112,261	243,911	
Land Lease	2,550,000	2,601,000	51,000	
Other	1,776,532	1,369,171	(407,361)	
	\$ 67,092,381	\$ 60,616,814	\$ (6,475,567)	-9.7%

FY20 Budget Highlights - Expenses

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Overall, 2% decrease from FY19

- \$1.1M (or 3.3%) increase in Personnel Services
 - ✓ Four new supervisory positions in Facility Ops - \$300K
 - ✓ Merit Pool - \$638K
 - ✓ Fringe Benefits for merit - \$160K
- KPI Influence/Measurement
 - ✓ B4 Elevator Modernization - \$282K
 - ✓ Traffic Management and Staffing for tradeshow and consumer events related to vehicle and pedestrian movement - \$276k
 - ✓ Analytics enhancements for customer experience data collection - \$40K
- Quality Operating Standards
 - ✓ Specialized carpet cleaning equipment - \$151K

FY20 Expenses - Detail

	Projection	Budget	Variance
	FY 2019	FY 2020	
<u>EXPENSES</u>			
Personnel Services	32,746,876	\$ 33,837,413	\$ 1,090,537
Regular Operating	16,154,165	14,976,709	\$ (1,177,456)
Equipment Purchases	393,945	296,630	\$ (97,315)
Per Diem/Fees/Contracts	5,623,826	5,343,040	\$ (280,786)
Projects	1,361,819	650,000	\$ (711,819)
Computer Charges/Other	2,944,300	3,103,994	\$ 159,694
	\$ 59,224,932	\$ 58,207,786	\$ (1,017,146)

FY20 Budget Recommendation

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	Projection	Budget	Variance
	FY 2019	FY 2020	
Total Revenue	<u>\$ 67,092,381</u>	<u>\$ 60,616,814</u>	<u>\$ (6,475,567)</u>
<u>EXPENSES</u>			
Personnel Services	32,746,876	\$ 33,837,413	\$ 1,090,537
Regular Operating	16,154,165	14,976,709	\$ (1,177,456)
Equipment Purchases	393,945	296,630	\$ (97,315)
Per Diem/Fees/Contracts	5,623,826	5,343,040	\$ (280,786)
Projects	1,361,819	650,000	\$ (711,819)
Computer Charges/Other	<u>2,944,300</u>	<u>3,103,994</u>	<u>\$ 159,694</u>
Total Expenses	<u>\$ 59,224,932</u>	<u>\$ 58,207,786</u>	<u>\$ (1,017,146)</u>
OPERATING PROFIT(LOSS)	<u>\$ 7,867,450</u>	<u>\$ 2,409,028</u>	<u>\$ (5,458,422)</u>

- Reinvest net operating income from FY19 as outlined below:
 - ✓ \$3.5M - Capital Reinvestment
 - ✓ \$2.0M - Fund Balance
 - ✓ \$1M - Hotel Reserve
 - ✓ \$700k - OPEB Trust Fund
 - ✓ \$600K - Incentive Plan

**Any amount over \$7.87M would be allocated to fund balance*

Questions?

Approval of FY20 Budget By Board of Governors

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Next Meeting

June 25, 2019