

MINUTES
GEORGIA WORLD CONGRESS CENTER AUTHORITY
OCTOBER 25, 2011
Authority Board Room
12:00 p.m.

The following were in attendance:

GWCCA Authority Members

David Allman
Jeff Anderson
Anne Hennessy
Glenn Hicks
Lee Hunter
Tim Lowe, Chair
Greg O'Bradovich
Tricia Pridemore
Gary Smith
Doug Tollett

Absent

Taz Anderson
John Downs
Mike Garrett
John Watson
Dee Yancey

GWCCA Legislative Overview Com.

Sen. Judson Hill
Sen. Chip Rogers
Sen. David Shafer

Rep. Edward Lindsey
Rep. Billy Mitchell
Rep. Jimmy Pruett

GWCC Staff

Dale Aiken
Kevin Duvall
Mark Geiger
Jeff Mellin
Frank Poe
Pattsie Rand
Patrick Skaggs
Sherrie Spinks
Mark Zimmerman

Dome Staff

Carl Adkins

COP Staff

Mark Banta
Joe Skopitz

Levy Restaurants

Mark Schwab

Atlanta Convention & Visitors Bureau

William Pate
Gregory Pierce
Mark Vaughan

Atlanta Falcons

Greg Beadles
Danny Branch

Attorney General's Office

Shannon McGhee
Denise Whiting-Pack

Bank of New York

Zac Vaughn

GWCC Legal Counsel

Pargen Robertson

Press

Lisa Schoolcraft, Atlanta Business Chronicle
Leon Stafford, AJC

Troutman Sanders Strategies

Robb Willis

Guests

Brandon Beach, GDOT
Pat Corleto, Parson Brinkerhoff
John O'Hara, Hardin Construction Co.
Ken Heagney, GSU
Jim Henderson, Sutherland
Glenn Jardine, Heery
Lee McElhannon, GSFIC
Bob Prather
Susan Ridley, GSFIC

Chair Lowe called the meeting to order at 12:40 p.m. First time guests Brandon Beach with Georgia Department of Transit, Pat Corleto with Parson Brinkerhoff, Ken Heagney with GSU, and Glenn Jardine with Heery were introduced.

Chair Lowe asked for a motion to approve the minutes of the August 30, 2011 meeting.

A motion to approve the August 30, 2011 meeting minutes was made by Glenn Hicks, seconded by David Allman, and unanimously approved.

Chair Lowe then called on Sherrie Spinks for the review of the September 2011 financial reports, which are appended and made a part of these minutes.

GEORGIA WORLD CONGRESS CENTER

Operating revenue for September was budgeted at \$1,787,806, with actual at \$1,841,105, which is \$53,299 ahead of forecast. YTD operating revenue is **under** budget by \$786,983 or 14.19%. Total expenditures of \$2,523,135 were \$190,529 under budget. YTD Expenses are **under** budget by \$392,202 or 5.01%. The Congress Center projected a net loss of (\$925,858) for September but had an actual net loss of (\$682,030) for the month, which is positive variance of \$243,828. YTD the projected net loss was (\$2,288,221). Actual net loss was (\$2,683,002) or a negative variance of \$394,781.

GWCC Hotel/Motel Tax for July 2011 through June 2012 was \$619,313 compared to a budget of \$684,197. This is 9.48% below projection.

GEORGIA DOME

Operating revenue for September was budgeted at \$4,437,648 with actual at \$5,473,062, which was **ahead** of forecast by \$1,035,414. YTD operating revenue is **ahead** of forecast \$610,360 or 1.95% due to Food and Beverage and Seat/Suite Licenses. Operating expenditures of \$2,494,683 were \$174,657 over budget. YTD operating expenditures are **under** budget \$1,022,247 or 6.60%. The Dome projected a net profit of \$2,117,622 but had an actual net profit of \$2,978,379 for the month, a positive variance of \$860,757. YTD the Dome projected a net profit of \$15,788,219, but had an actual net profit of \$17,420,826, a positive variance of \$1,632,607.

Hotel/Motel Tax for July 2011 through June 2012 was \$4,440,523 against a budget of \$4,839,427, which is 8.24% below projection.

CENTENNIAL OLYMPIC PARK

Operating revenue for September was budgeted at \$208,356 with actual at \$169,181. YTD operating revenue is **below** forecast \$128,713 or 11.99% due to two large events that were budgeted but did not take place. One event cancelled and one chose another city. Operating expenditures of \$230,327 were **under** budget \$25,975 or 6.18%. The Park projected a net gain against budget of \$4,004 for the month, but had an actual **net loss** of \$65,150, a negative variance of \$65,150. YTD the Park projected a net gain against budget of \$1,408, but had an actual net loss of \$176,558, a negative variance of \$177,966.

Included in the Financial Report presentation was a graph for each facility showing four prior year first quarter financial comparisons of net operating profit/loss.

ECONOMIC IMPACT UPDATE

Over the last year GWCCA staff has worked with the Atlanta Convention and Visitors Bureau (ACVB) and Georgia State University (GSU) to assess our current economic impact reporting method and to review alternate methods of reporting our monthly and annual economic impact. The current economic impact model, ExPact, relied on a single survey and has not updated data since 2005. Spending per attendee had been adjusted annually for inflation by the Selig Center at the University of Georgia. Following staff due diligence, it was determined Oxford Event Impact Calculator represented the best methodology for economic impact assessments. The Oxford Event Impact Calculator incorporates regular updates from eight data sources/surveys. The Oxford model methodology includes:

- Listing of major events by facility to include the length of the event and the estimated number of attendees;
- Classifies each event by type;
- Estimates the number of out of state attendees based on the event type utilizing the Oxford model, ticketing, and surveys;
- Calculates the estimated direct spending by attendees, exhibitors, and support services by using the estimated number of out of state attendees and length of stay;

Then GSU, taking the direct spend as calculated by the Oxford model, provides us with estimates to use for our monthly estimated economic impact and incremental state sales tax calculations. GSU will also provide an annual impact assessment of events on campus for the past year. The FY 2011 annual economic impact report was calculated using the Oxford method.

Chair Lowe thanked Ms. Spinks for her reports and then called on Patsie Rand to present the Sales and Marketing Report for September 2011, which is hereby appended and made a part of these minutes.

Six events totaling thirty-three days, which includes move-in and move-out days, confirmed during September for GWCC.

<u>Event</u>	<u>Date</u>
Georgia Lottery	September 2011
Susan G. Komen 3-Day for the Cure	October 2011
Alive! Expo	April 2012
CFA Exam	June 2012
American Dental Association	October 2017
Mary Kay, Inc.	January 2022

No exhibit hall events cancelled at the GWCC in September 2011.

Four new events totaling five days confirmed during September 2011 for the Georgia Dome.

<u>Event</u>	<u>Date</u>
HBCU Bowl Game	December 2011
Strayer University Graduation	June 2012
Creekside High School Graduation	June 2012
Langston Hughes High School Graduation	June 2012

No events were cancelled at the Georgia Dome during the month of September 2011.

Three new events totaling three days confirmed in Centennial Olympic Park during the month of September 2011.

<u>Event</u>	<u>Date</u>
Wholly Guacamole Tour	September 2011
15 th Anniversary Broadcast of Sean Hannity	October 2011
Journey of Hope Tour	October 2011

No events cancelled in Centennial Olympic Park during the month of September 2011.

A Summary of the Economic Impact for major events at the Georgia World Congress Center and the Georgia Dome during September was reviewed. New dollars generated by out-of-town visitors during September were \$31.3 million and estimated total economic impact was \$60.3 million. Estimated State sales tax generated was \$1.7 million. Note: The September economic impact report was generated using the new Oxford Model.

Photographs of the following September 2011 events were reviewed:

GWCC

Chick-fil-A Kickoff Game FanZone
Freedom Riders
International Dairy Foods Association

Georgia Dome

Chick-fil-A Kickoff Game
Atlanta Falcons vs. Baltimore Ravens
GSU vs. Old Dominion
Atlanta Falcons vs. Philadelphia Eagles
Bank of America Atlanta Football Classic
Necessary Roughness TV Shoot

Centennial Olympic Park

Downtown Touchdown Concert
Paws in the Park
Wednesday WindDown Final Concert of the Season
World of Coke Volunteer Project

Chair Lowe thanked Ms. Rand for her report.

GEORGIA DOME 2011 PROPOSED BOND REFUNDING

On October 24, 2011, the GWCCA Finance Committee, followed by the GWCCA Stadium Development Committee meeting of October 25, 2011 were briefed on the proposed Georgia Dome Series 2011 Bond refunding resolution. The resolution authorizes GSFIC, with approval from the Commission, to issue Series 2011 Bonds for the purpose of providing funds to refund all of the Authority's outstanding Refunding Revenue Bonds (Dome Stadium Project) Series 2000 which were issued to finance the project. The aggregate principal amount of the Series 2011 Bonds is not to exceed \$112,600,000. The interest rate would drop from 5.5% to 3.33% providing an estimated total savings is \$13 million or 9.9%.

The bond refunding schedule follows:

October 25:	GWCCA Board approval
October 26:	Validation petition filed
November 2:	GSFIC Board approval
November 15:	Bonds validated
November 29:	GWCCA Board approves final pricing, closing, and 2000 bonds redeemed

A motion to approve the resolution authorizing GSFIC issue Series 2011 Bonds for the purpose of providing funds to refund the current 2000 Series Bonds was made by Glenn Hicks seconded by Lee Hunter, and unanimously approved.

At this time Chair Lowe recognized Bob Prather, immediate past Board Chair, and thanked him for his seventeen years of service to the Georgia World Congress Center Authority. Mr. Prather served on the Board from 1994 to 2011. A Frabel sculpture and a commemorative photo book were presented to Mr. Prather. Glenn Hicks proposed a toast in Mr. Prather's honor. Mr. Prather thanked everyone and noted his experience on the Board had been great and he enjoyed every minute. In Mr. Prather's words, "The GWCCA Board of Governors is the best board in the State."

With no further business to discuss, a motion to adjourn was made by Lee Hunter, seconded by Glenn Hicks, and unanimously approved.

RESPECTFULLY SUBMITTED:

APPROVED:

DALE AIKEN
ASSISTANT SECRETARY

ANNE HENNESSY
SECRETARY