

MINUTES
GEORGIA WORLD CONGRESS CENTER AUTHORITY
BOARD OF GOVERNORS MEETING
NOVEMBER 27, 2012
Authority Board Room
1:00 p.m.

The following were in attendance:

GWCCA Authority Members

Steve Adams
Taz Anderson
John Downs
Anne Hennessy
Glenn Hicks
Lee Hunter
Tim Lowe, Chair
Greg O'Bradovich
Tricia Pridemore
Bill Rice
Bill Russell
Doug Tollett

Absent

David Allman
Gary Smith
Dee Yancey

GWCCA Legislative Overview Com.

Rep. Edward Lindsey
Rep. Billy Mitchell
Rep. Butch Parrish
Rep. Donna Sheldon
Sen. Judson Hill

GWCC Staff

Mark Adams
Dale Aiken
Stephanie Kindregan
Kevin Duvall
Jennifer LeMaster
Frank Poe
Patrick Skaggs
Sherrie Spinks
Mark Zimmerman

Dome Staff

Carl Adkins

COP Staff

Joe Skopitz

Levy Restaurants

Steve Potts

Atlanta Convention & Visitors Bureau

William Pate
Gregory Pierce
Mark Vaughan

Attorney General's Office

Shannon McGhee

Bank of New York

Eric Knoll

Atlanta Falcons

Greg Beadles

GWCC Legal Counsel

Pargen Robertson

Office of Planning & Budget

Caylee French

Press

Leon Stafford, AJC
Amy Wenk, Atl. Bus. Chronicle

Guests

Sam Brown, CCLD
Greg Hawthorne, NPU-L
Matt Nichols, Sutherland
Ted Stuckey, CCLD

Chair Lowe called the meeting to order at 1:00 p.m. and asked for a motion to approve the October 30, 2012 meeting minutes.

A motion to approve the October 30, 2012 meeting minutes was made by Taz Anderson, seconded by Glenn Hicks, and unanimously approved.

Chair Lowe then called upon Mark Adams, GWCC's Director of Sales, to present the Sales and Marketing Report for October 2012, which is hereby appended and made a part of these minutes.

Eight new events totaling twenty-one days, which includes move-in and move-out days, confirmed during October 2012 for GWCC.

<u>Event</u>	<u>Date</u>
Susan G. Komen Atlanta 3-Day	October 2012
NACA American Dream Event	November 2012
GA Jobs for Veterans Employer Breakfast & Career	November 2012
Auto Trader Annual Kickoff Meeting	January 2013
Cheersport Grand Championships	January 2013
National Gas Propane Association	April 2014
Cheersport 2015 National Championship	February 2015
National Rifle Association	April 2017

No exhibit hall events cancelled at the GWCC in October 2012.

Six new events totaling eight days confirmed during October 2012 for the Georgia Dome.

<u>Event</u>	<u>Date</u>
Presenting Atlanta	October 2012
Clayton County High School Graduations	May 2013
Stephenson High School Graduation	May 2013
Redan High School Graduation	May 2013
MLK High School Graduation	May 2013
Southwest DeKalb High School Graduation	May 2013

No events cancelled at the Dome in October 2012.

Three new events totaling three event days confirmed in Centennial Olympic Park during the month of October 2012.

<u>Event</u>	<u>Date</u>
Sbarro Slice of Italy Tour	October 2012
Nutlella Spread Promotion	October 2012
Rite Aid Wellness Fair	November 2012

No events cancelled at the Park in October 2012.

A Summary of the Economic Impact for major events at the Georgia World Congress Center and the Georgia Dome during October was reviewed. New dollars generated by out-of-town visitors during

October were \$31.2 million and estimated total economic impact was \$59.2 million. Estimated State sales tax generated was \$2.6 million.

Photographs of the following October 2012 events were reviewed:

GWCC

SuperCorrExpo
International Air Cargo
Medtrade
American College of Chest Physicians
Biomedical Engineering Society
H&R Block 2012 National Convention

Georgia Dome

GSU vs. New Hampshire
Falcons vs. Oakland Raiders
GSU vs. Villanova
Bands of America Super Regional

Centennial Olympic Park

Falcons vs. Oakland Raiders Tailgate Party in the Park
Making Strides Against Breast Cancer
Light the Night

Chair Lowe thanked Mark for his Sales Report and then called on Sherrie Spinks for the review of the October 2012 financial reports, which are appended and made a part of these minutes.

GEORGIA WORLD CONGRESS CENTER

October operating revenue of \$3,601,869 was \$462,484 **over budget** due to F&B revenue for H&R Block event. YTD operating revenue is \$868,224 or 8.70% over budget. Operating expenditures of \$2,432,434 were \$44,066 **under budget**. YTD operating expenditures are \$418,910 or 4.02% over budget. The Congress Center projected a net profit of \$662,885 for the month but had an actual net profit of \$1,169,435, which is positive variance of \$506,550. YTD the Congress Center projected a net loss of (\$442,086) but had an actual net profit of \$7,228, a positive variance of \$449,314.

GWCC Hotel/Motel Tax for October 2012 was \$934,618 compared to a budget of \$874,097, which was 6.92% ahead of projection and 12.05% over last year at this time.

GEORGIA DOME

October total revenue of \$3,249,276 was \$155,584 **over budget** due to premium seat/suite sales. YTD revenue is \$2,831,251 or 7.42% over budget. Total expenditures of \$2,276,779 were \$25,916 **over budget**. YTD expenditures are \$13,353 or .06% under budget. The Dome projected a net profit of \$842,829 for the month but had an actual net profit of \$972,497, a positive variance of \$129,668. YTD the Dome projected a net profit of \$17,446,446 but had an actual net profit of \$20,264,344, a positive variance of \$2,817,898.

Dome Hotel/Motel Tax for October 2012 was \$6,622,995 against a budget of \$6,238,050, which was 6.17% ahead of projection and 11.42% over last year at this time.

CENTENNIAL OLYMPIC PARK

October total revenue of \$198,165 was \$28,175 **under budget**. YTD Park revenue is \$121,450 or 9.79% over budget. Total expenditures of \$176,691 were \$37,679 **over budget**. YTD Park expenditures are \$16,150 or 1.57% over budget. The Park projected a **net gain** of \$11,970 for the month but had an actual net gain of \$21,474, a positive variance of \$9,504. YTD the Park projected a net gain of \$209,871 but had an actual **net gain** of \$315,171, a positive variance of \$105,300.

Chair Lowe thanked Ms. Spinks for her reports.

ACVB FY 2013 BUSINESS & FINANCIAL PLAN

Chair Lowe recognized William Pate, President of the Atlanta Convention & Visitors Bureau (ACVB). Mr. Pate and Gregory Pierce will present the ACVB 2013 Business and Financial Plan, a copy of which is appended and made part of these minutes.

William Pate presented a synopsis of the ACVB's 2013 Business Plan to the Board for approval. The complete, detailed plan was sent to Board members prior to today's meeting for review. Mr. Pate noted a number of 2012 highlights. Goals for 2013 were presented and include: 1) Increase room night bookings and maximize 1% Convention Marketing Fund, 2) Achieve 100% attendance goal for major city-wide conventions; 3) Increase visibility of Atlanta as one of the top U.S. meeting and travel destinations; 4) Maximize opportunity with ASAE 2013 in Atlanta; 5) Utilize ACVB/GWCC offering to acquire five additional conventions from second tier cities; 6) Celebrate ACVB/hospitality industry's 100th anniversary through year-long program; 7) Maximize regional partnerships/alliances focusing on international visitation; 8) Continue with increased visibility over 2012 with "I am ATL" meeting planner campaign to expand into the consumer market. Mr. Pate reviewed the business environment looking ahead.

Gregory Pierce, ACVB Chief Financial Officer, then presented the 2013 Financial Plan. 2013 Financial Plan highlights include 1) 2.1 percent growth in total revenue; 2) Payroll and related expenses, for ACVB, up 6.3 percent; 3) Operating expenses, direct promotional expenses, and expenses for capital assets are relatively flat. Projected 2013 total revenue is \$26,984,516; projected 2013 total expense is \$26,833,969 which leaves an excess of \$150,547; projected 2013 total public sector revenue is \$17,827,105; and projected total 2013 private sector revenue is \$9,157,411.

Chair Lowe thanked the ACVB for their report.

A motion to approve the Atlanta Convention & Visitors Bureau's Business and Financial Plans for 2013 as presented was made by Glenn Hicks, seconded by Anne Hennessy, and unanimously approved.

FALCONS AGREEMENT – Amendment to “Senior Loan Limit”

Mr. Poe reviewed the history of past agreement amendments. The Falcons are requesting to increase their line of credit from \$150 million to \$200 million. This will be the fifth such amendment to the Falcons' Agreement for purposes of increasing their line of credit. The last time it was increased was 2005.

Chair Lowe called for a motion to approve the resolution which amends the Falcons' Agreement to raise the amount of money the Falcons can borrow from \$150 million to \$200 million.

A motion to approve the resolution authorizing the Executive Director to amend the Falcons' Agreement to raise the Falcons Senior Debt Limit from \$150 million to \$200 million, was made by Dee Yancey, seconded by Bill Rice, and approved. Tricia Pridemore voted against the motion.

CCLD

CCLD is represented today by Ted Stuckey, who purchased CCLD in 2009, and Sam Brown, CCLD's IT Director. The purpose of today's presentation is to illustrate 1) industry trends relative to event technology such as increasing demand for external bandwidth and internal network capacity and offering free Wi-Fi for attendees; 2) challenges associated with meeting customer requirements for future events; and 3) to propose a solution to upgrade the Authority's event network. CCLD is offering to invest 1) \$1.5M for infrastructure upgrades in the Congress Center to include replacing all fiber and copper and installation of new network electronics (will take six months); 2) \$125K to install a wireless system in the Park to include network connectivity cameras and public Wi-Fi access; and 3) \$500K to upgrade GWCC Wi-Fi system in 2015 (a \$2.125M total investment) in exchange for a seven year contract extension, through December 2012, with increased commission rates beginning January 2013.

Chair Lowe asked for a motion to approve the CCLD contract extension resolution presented today.

A motion to approve the resolution authorizing the Executive Director to extend CCLD's Agreement seven (7) years through 2021 to include a new commission structure in return for a CCLD investment of \$2.125 million for infrastructure improvements and network system upgrades for the Congress Center, wireless system enhancements for Centennial Olympic Park, and a Wi-Fi system upgrade for the Congress Center in 2015 was made by Taz Anderson, seconded by Lee Hunter, and unanimously approved.

NOMINATING COMMITTEE REPORT

Chair Lowe called on Glenn Hicks, Chair of the GWCCA Nominating Committee, to report on the recommended slate of officers for the coming year. Members of the Nominating Committee are Glenn Hicks, Chair; Steve Adams, Greg O'Bradovich, and Doug Tollett. The Committee met Tuesday, November 19. In light of current issues facing the Authority, the Committee recommends maintaining the current 2012 officers for 2013 to continue Board leadership continuity. Therefore, the proposed 2013 slate of officers is as follows.

Tim Lowe - Chair
Lee Hunter - Vice-Chair
Anne Hennessy - Secretary
Doug Tollett - Treasurer

Chair Lowe thanked Mr. Hicks and the Nominating Committee and called for a motion to accept the recommended 2013 slate of officers.

A motion to accept the GWCCA Nominating Committee's recommended 2013 slate of officers (Tim Lowe – Chair, Lee Hunter – Vice-Chair, Anne Hennessy – Secretary, Doug Tollett – Treasurer) was made by Taz Anderson, seconded by Steve Adams, and unanimously approved.

The 2013 Georgia World Congress Center Authority Meeting Schedule was presented for approval. Chair Lowe asked for a motion to approve the proposed 2013 meeting schedule.

A motion to approve the proposed 2013 GWCCA Board of Governors meeting schedule was made by Lee Hunter, seconded by Glenn Hicks, and unanimously approved.

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

RESPECTFULLY SUBMITTED:

DALE AIKEN
ASSISTANT SECRETARY

ANNE HENNESSY
SECRETARY