Annual Report

Georgia World Congress Center Authority

Nineteen Hundred and Ninety-Eight

Georgia World Congress Center

Georgia Dome

Centennial Olympic Park



Bottom Line for Georgia

Total New Dollars \$841.4 Million

Total Economic Impact \$2 Billion

Total Tax Revenues \$102.8 Million

Bottom Line Performance for Georgia

Since its 1970's conception by State government and business visionaries, the Georgia World Congress Authority has grown stronger each year as a dependable, self-sustaining economic-development engine for Georgia.

While our unequaled combination of amenities has firmly established our status as a leader throughout the hospitality industry worldwide, each of our three component operations enjoyed individual successes in fiscal year 1998 including:

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THE GEORGIA WORLD CONGRESS CENTER

One of the nation's largest international trade show and convention facilities.

- Generated more than \$1.7 billion of economic benefit for the citizens of Georgia.
- Welcomed an estimated 1,425,645 attendees, including approximately 676,468 from out-of-town.
- Served as the venue for 45 major conventions and trade shows, 23 public shows, 221 meetings and corporate affairs, and 50 other events such as fashion shows, graduations, licensing exams, sports, concerts, and theatrical productions.
- Received Georgia General Assembly authorization for \$10.5 million funding to pursue the planning and design phase for a 450,000-square-foot exhibit space expansion.
- Initiated extensive upgrades to our original Phase I facility including roof and air conditioning replacements.
- Hosted THE SUPER SHOW for sports apparel and equipment for the 13th straight year, attracting 88,000 attendees.
- Signed the SuperComm computer show with its 45,000 annual attendees to a five-year agreement beginning in 1998.
- Hosted 125,000 visitors at the annual holiday Festival of Trees to benefit Egleston Children's Hospital.
- Enhanced customer service by privatizing our parking and expanded business center operations.





THE GEORGIA DOME

A premier sports and events facility and the largest cable-supported domed stadium in the world.

- Contributed more than \$298.7 million of economic impact to the State.
- Welcomed some 1,908,835 million visitors, including an estimated 268,192 out-of-town attendees.
- Booked more than 110 events with more than 1.5 million people attending 50 sporting events, 212,000 attending six entertainment events, 94,000 attending four trade/public shows, and 56,000 attending more than 50 other type events such as meetings, receptions, graduations, and religious rallies.
- Refinanced our debt at a lower interest rate, realizing future savings of more than \$78 million in interest and letter of credit fees.
- Set an NBA attendance record of 62,046 when the Atlanta Hawks hosted Michael Jordan and the Chicago Bulls on March 27.
- Hosted sellout Rolling Stones, U2 and Fox 97 Ultimate Oldies concerts.
- Upgraded our facilities by adding food-service buffet areas and serving carts, re-carpeting more than 38,000 square yards of floor space, refurbishing the cooling towers and chillers, and reconfiguring our Club Seat section to enhance service and exclusivity.
- Already designated as the 2002 host of the NCAA Men's Final Four Basketball Tournament, we won the honor of doing so again in 2007.
- Gave "Dome-field advantage" in the 1997 season to a rejuvenated Atlanta Falcons NFL football team during its first full season under new head coach Dan Reeves.

CENTENNIAL OLYMPIC PARK

21-acre state park, the nation's largest urban-center park built in the last 20 years.

- Commemorated completion of Phase II in March with a weekend-long celebration that featured national acts and attracted more than 200,000 quests.
- Acts as tangible anchor for building a sense of community and goodwill in the revitalization of downtown Atlanta.
- Serves as Georgia's most visible and most visited legacy of the 1996 Centennial Olympic Games.
- Hosted 174 events during the year, including the traveling Vietnam Wall exhibit and a variety of receptions, free concerts, festivals, reunions, and athletic fundraisers.
- Grew as a performing arts venue with appearances ranging from wandering troubadours to the Atlanta Symphony Orchestra accompaniment of a spectacular fireworks display.
- Became the first park in the U.S. to operate entirely with a fleet of electric vehicles.
- Hosted 1.4 million visitors to FY 1998 events/festivals.



Who We Are

What We Strive for

What We Stand For

Our Mission: The State of Georgia established the Georgia World Congress Center Authority to develop and operate the Georgia World Congress Center, the Georgia Dome, Centennial Olympic Park, and related facilities. These facilities exist for the primary purpose of promoting and facilitating events and activities that generate economic benefits to the citizens of the State of Georgia and the City of Atlanta, as well as enhance the overall quality of life for every Georgian.

Our Vision: Our vision is to earn our reputation relentlessly as one of the world's finest convention, sports and entertainment venues. Every day we exemplify our steadfast commitment to excellence in our expertise, efficiency and quality of service. Our vision is to lead our industry through innovation; to operate successfully in an ethical manner; to satisfy our customers' expectations with motivated, service-oriented employees; to provide a safe, clean environment; and to foster both the personal and professional growth of our people.

Our Values: To achieve our vision, we make our customers the focus of everything we do. We take pride in providing friendly and courteous service to our guests and customers. We strive constantly to improve productivity and to promote the best interests of the Georgia World Congress Center, the Georgia Dome and Centennial Olympic Park.



Georgia World Congress Center Authority

DIRECTOR'S REPORT:

An excellent year by many measures, 1998 again proved the Georgia World Congress Center Authority to be a solid investment for the people of Georgia.

Almost one million out-of-town visitors attended events at the Georgia World Congress Center, Georgia Dome and Centennial Olympic Park and injected directly more than \$841.4 million new dollars into our state's economy. That stimulated a ripple effect of \$2 billion total economic impact and total tax revenues of more than \$102.8 million that benefited all Georgians, from Tybee Island to Brasstown Bald.

Our overall impact helped the state's second-largest industry, hospitality, flourish and raised our state's progressive image as a great place to do business.

Not taking time to slow down after the monumental effort involved in hosting a myriad of Olympic events the previous year, we moved vigorously and confidently in 1998 to take on the challenges of keeping old customers and winning new ones. You will find as you look through this report that we did well.

Still, the convention and trade show market is fiercely competitive. Other facilities in other states present a growing threat. Refurbishing and upgrading our facilities constantly, introducing efficiencies, finding ways to improve the quality of our already excellent service – all helped us maintain our position of leadership.

We also focused diligently on developing an expansion plan for the World Congress Center. Designed to give us greater flexibility in meeting customer demands for exhibit space, Phase IV should, if approved, give us the edge we'll need to stay competitive beyond the year 2000.

The hundreds of men and women employed by the Authority take justifiable professional pride in the value we delivered to Georgia in 1998. We look forward to continuing to serve our fellow citizens as we advance together into the new century.

Daniel A. Graveline

Executive Director

Georgia World Congress Center Authority





Georgia World Congress Center

Fiscal year 1998, ending June 30, gave the Authority important reassurance that we could sustain our positive growth trends.

The World Congress Center generated operating revenues of \$30,030,518, a profit of \$6.9 million and new tax revenues of \$88.6 million from the trade and consumer shows, conventions, corporate meetings, and miscellaneous events it hosted.

The World Congress Center has as its primary mission the creation of economic benefit for the state. Trade show, convention and other events' attendees, including exhibitors, bring "new dollars" into our economy from out of town.

Thanks to the Congress Center, more than \$704.4 million new dollars went directly into circulation here in 1998. As they were re-spent throughout Georgia's economy, those dollars generated \$1.7 billion-worth of economic impact.

In addition, Congress Center activities sustained more than 31,000 jobs related directly and indirectly to the state's hospitality industry.

With the strength of our success in FY 98 as one of the nation's busiest major convention facilities and with events now scheduled into the year 2017, we have reassured our confidence that the GWCC can sustain its steady growth trend that predates the 1996 Olympic Games.

GWCC 1998 Revenue & Expense Statement

REVENUE		EXPENSE	
OPERATING REVENUE		OPERATING EXPENSE	
Rent \$	12,091,445	Personal Services	\$ 14,050,005
Exhibit Utility Services	6,585,970	Regular Operating	6,527,114
Food Services	4,127,571	Equipment	58,698
Parking	2,192,866	Contracts/Fees	4,237,078
Hotel/Motel Tax	3,325,666	<u>Other</u>	440,735
Other	1,707,000	SUBTOTAL	\$ 25,313,630
SUBTOTAL \$	30,030,518		
NON-OPERATING REVENUE		NON-OPERATING EXPENSE	
Centennial Olympic Park	354,512	Centennial Olympic Park	1,280,827
Transfer from Reserves	3,823,792	Special Projects	667,919
SUBTOTAL \$	4,178,304	SUBTOTAL	\$ 1,948,746
Hotel/Motel Tax (ACVB)	7,890,442	Hotel/Motel Tax (ACVB)	7,890,442
TOTAL \$	42,099,264	TOTAL NET GAIN	\$ 35,152,818 \$ 6,946,446
Exhibit Utility Services 22%	Rent 40%	Persor	nal Services 55%
Food Services 14% Hotel/Motel Tax 11% Other 6%		Regular Operating 26%	Other 2%
Parking 7%		Equipment/Contracts/Fees 17%	

The Georgia World Congress Center's primary sources of operating revenue remained rent, utilities and food services -- totaling 76 percent of our operating revenue.

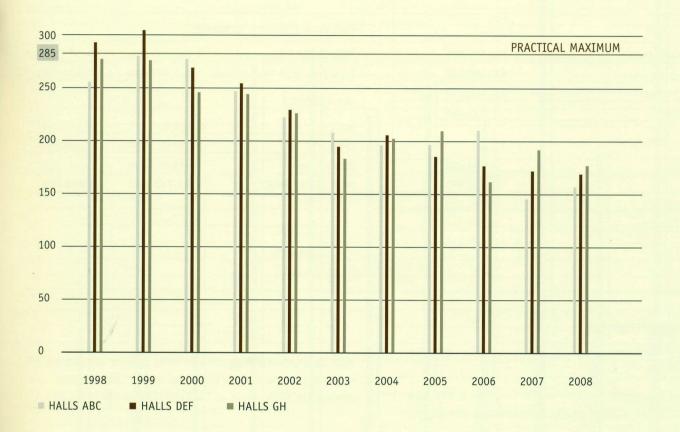
We managed to bring operating revenues in at approximately 18.6 percent over budget. Rent went down compared to the previous year because in FY 1997 we had so much Centennial Olympic Games business during our normally slow summer months. However, we did enjoy significant increases in parking, utility and food and beverage revenues in FY 1998.

Through careful management, we held our operating expenses at 5.4 percent below projections without affecting the high quality of customer service.

"Other Expenses" refers to telecommunications, computers, supplies, equipment leases, travel, printing, and miscellaneous expenses necessary to the efficient conduct of our business. "Special Projects" included the Centennial Olympic Park Springfest, Park programming and International Plaza.



365 -



The Georgia World Congress Center measures bookings in terms of "Exhibit Hall Days" for each of three exhibit hall groupings (i.e., Halls ABC, Halls DEF and Halls GH). One Exhibit Hall Day equals a full day in which the Congress Center could book all the space in Halls ABC, DEF or GH. Every trade show and convention facility must take

into account a number of scheduling gaps due to national holidays, seasonally slow periods and an average of three days per month between major events. As a result of these industry-inherent "lost days," the "Practical Maximum Bookings" achievable in a year equals 285 Exhibit Hall Days.



1998 ECONOMIC IMPACT			1997	1998
GWCC ACTIVITY		TWO-YEAR ECONOMIC SU	JMMARY	
"New Dollars" Impact	\$ 704,372,305	"New Dollars" Generated	\$ 693,353,520	704,372,305
Total Economic Impact	1,690,493,532	Total Impact of "New Do	llars" 1,661,550,420	1,690,493,532
Personal Income	644,500,659	TAY DEVENUES		
Employment	31,406	TAX REVENUES		
TAVES		State	\$ 61,854,480	62,548,261
TAXES		Local	11,223,000	11,269,957
Georgia Sales	45,784,200	Hotel/Motel	14,665,000	14,791,818
Local	11,269,957	TOTAL TAX REVENUES	\$ 87,742,480	88,610,036
Hotel/Motel	14,791,818			
Personal Income	16,764,061			
TOTAL	\$ 88,610,036			

GWCC 1998 ATTENDANCE

Total out-of-town attendance ----- 676,468 (691,055 in '97)

 Total daily attendance equals 4.25 visits by every out-of-town attendee plus one visit for each local resident who attended meetings or public shows at the Georgia World Congress Center.

TOTAL ATTENDANCE

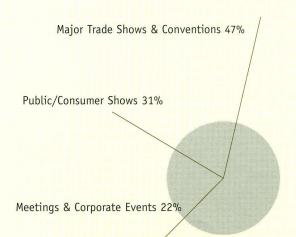
 672,425
 at 45 Major Trade Shows & Conventions

 438,618
 at 23 Public/Consumer Shows

 314,602
 at 271 Meetings, Corporate Events and Others*

 1,425,645
 Total Attendance

^{*} Includes fashion shows, licensing exams, graduations, sports events, concerts, and other performing arts productions.



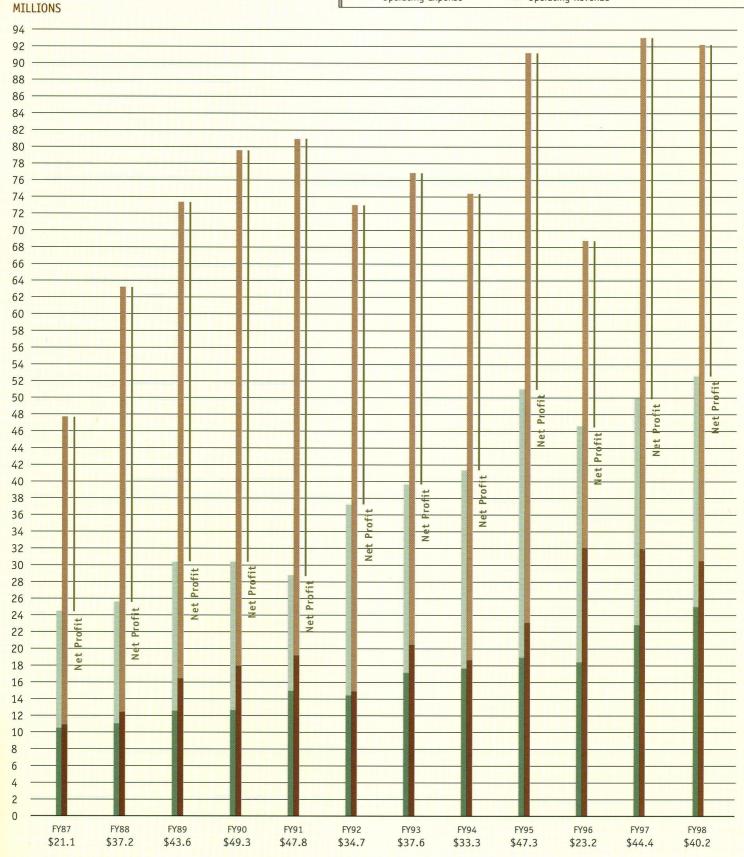
Direct Benefit to Georgia

TOTAL EXPENSE

Debt Service Expense Operating Expense

TOTAL REVENUE

- Tax Revenue
- Operating Revenue





Georgia Dome

Fiscal year 1998, ending June 30, was another excellent year for the Georgia Dome.

The Dome is one of the nation's premier sporting venues. It is home of the National Football League's Atlanta Falcons and – until their new home is built – also the Atlanta Hawks National Basketball Association franchise.

One of the largest concert arenas in the Southeast United States, the Dome hosted blockbuster concerts like the Rolling Stones and U2.

We handled an incredible variety of events ranging from the annual Chick-fil-A Peach and McDonald's Heritage Bowls to trade shows and corporate meetings, from Monday Night Nitro wrestling to religious rallies, from motor sports to college graduations.

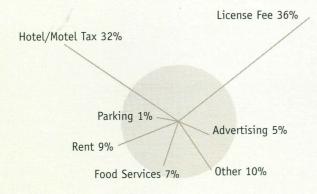
We set national attendance records for two major sporting events – an NBA game featuring the Atlanta Hawks vs. the Chicago Bulls and the SEC Football Championship.

All together, the 174 sporting and entertainment event days and 72 other types of event days combined in 1998 to deliver a Dome net profit of \$6.1 million.

Our 268,192 out-of-town visitors spent more than \$137 million in "new dollars," which, when circulated through the state's economy, generated a total economic impact of more than \$298.7 million. Dome business also contributed to Georgia's economy more than \$14 million in new tax revenue and provided part- and full-time work in more than 5,100 hospitality industry-related jobs. These numbers are down from FY 97, which included the 1996 Olympic Games; but they track well with our long-term trends.

Looking to the future, some major events we are scheduled to host include Super Bowl XXXIV in 2000 and the NCAA Men's Final Four Collegiate Basketball Championship in 2002 and again in 2007, a date we were awarded this year.

REVENUE OPERATING REVENUE \$ 3,813,170 Rent 3,023,252 Food Services Parking 629,505 Other 4,148,386 15,385,920 License Fees Advertising 2,068,504 SUBTOTAL \$ 29,068,737 NON-OPERATING REVENUE 2,071,501 Transfer from Reserves 13,781,971 Hotel/Motel Tax TOTAL \$ 44,922,209



Fees from executive suite and club seat licenses continued to be the Dome's largest source of revenue during 1998.

While our rent and food services numbers went down compared to those influenced by the previous year's Olympic Games, we more than offset them with an almost \$1 million jump in our "Other" revenues, which includes interest earned, utilities, labor, telecommunications, novelty sales, and venue productions.

EXPENSE

OPERATING EXPENSE

Personal Services	\$ 5,425,917
Regular Operating	3,332,199
Contracts/Fees	10,503,940
Other	234,420
SUBTOTAL	\$ 19,496,476

NON-OPERATING EXPENSE

Debt Service	17,663,486
Refinancing Expense	1,649,303
TOTAL	\$ 38,809,265
NET GAIN	6,112,944

Regular Operating 9%
Personal Services 149
Contracts/Fees 27%
Other 5%

The Dome refinanced its revenue bonds this year. That resulted in a one-time expense of \$1,649,303 but will realize future savings of more than \$78 million in interest and letter of credit fees over the life of the bonds.

Debt Service 45%



1997

1998

Georgia Dome Estimated FY 98 Economic Impact

1998 ECONOMIC IMPACT	
DOME ACTIVITY	
"New Dollar" Impact	\$ 137,016,005
Total Economic Impact	298,694,891
Personal Income	109,612,804
Employment	5,126
TAXES	
Georgia Sales	7,535,880
Local	2,192,256
Hotel/Motel	2,329,272
Personal Income	2,055,240
TOTAL	\$ 14,112,648

TWO-YEAR ECONOMIC SUMMARY

"New Dollars" Generated	\$ 190,597,399	137,016,005
Total Impact of "New Dollars"	414,342,172	298,694,891

TAX REVENUES

Local	13,558,983 3,157,095	9,591,120 2,192,256
Hotel/Motel	3,382,603	2,329,272
TOTAL TAX REVENUES	\$ 20,098,681	14,112,648

Sporting Events 80%

TOTAL ATTENDANCE

1,545,723	50 Sporting Events
212,433	6 Entertainment Events
94,269	4 Trade & Public Shows*
56,410	51 Other Events**
1,908,835	Total Attendance

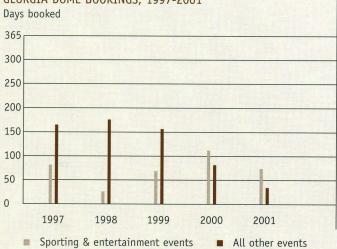
* Does not include Georgia World Congress Center events that used Dome space. ** Includes corporate events, receptions, graduations, and religious assemblies.

Trade & Public Shows* 5%

Entertainment Events 12%

Other Events** 3%

GEORGIA DOME BOOKINGS, 1997-2001



GA. DOME 1998 ATTENDANCE

Total out-of-town attendance	268,192
Total daily attendance	- 2,199,892

Total daily attendance equals one visit for each local resident who attended a Georgia Dome event, plus one visit for single day events and 4.25 visits for multiple-day events attended by every out-of-town attendee.

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Centennial Olympic Park

Centennial Olympic Park generates economic benefit for the state by supporting stand-alone functions and serving as an adjunct site for events at the Georgia World Congress Center and Georgia Dome.

As a gathering place for formal business and informal relaxation, this urban gem has become the focal point of a resurgent neighborhood, accommodating transient convention and permanent community needs alike.

The Park hosted 174 events of various shapes and sizes such as festivals, receptions, weddings, concerts, reunions, and athletic fundraisers. As a result, it raised \$350,000 to apply toward its own operating budget.

Originally an eyesore of urban decay, the site was converted into an Olympic Games gathering place. Following the Games, we closed a significant section of the Park and redesigned it for civic use. We completed Phase II of the Park last year; and in late March, more than 200,000 well wishers thronged to the Park for a weekend-long celebration that included entertainment by Ray Charles, Chumbawamba, Sister Hazel, and the Atlanta Symphony Orchestra.

This past year confirmed our hope for the multi-purpose potential of the Park to:

- Serve as an important catalyst for continued development of surrounding properties,
- Facilitate business in the area,
- Enhance pedestrian traffic,
- Improve the neighborhood's quality of life,
- Support Atlanta and Georgia's spirit of community with special events that include performing arts, and
- Provide a serene haven in the heart of the city.

The State's 21-acre Park achieved another mark of distinction in 1998 as the first park in the nation to operate a fleet made up entirely of electric vehicles. The clean-running, quiet EVs are used for security, landscaping, maintenance, engineering, and local event transportation.





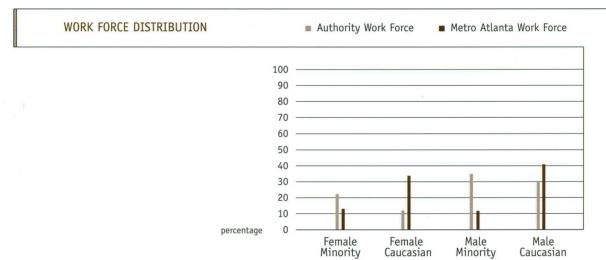
The people who work at the Georgia World Congress Center, Georgia Dome and Centennial Olympic Park radiate our well-earned reputation for superior hospitality and customer service.

We had 502 full-time employee positions authorized in FY 98. We supplemented our full-time staff in 1998 with 325,000 hours of part-time help, or the equivalent of 156 full-time jobs.

This year, 76 of our employees achieved service milestones that combined represent 580 years of experience, dedication and exceptional service to our facilities and our customers. Four employees completed 20 years of service; eight completed 15 years; 12 completed 10 years; and 52 completed five.

Our employees' personal and professional development is critical to our continued success in keeping ourselves competitive. We, therefore, invested 17,364 hours of training to further our people's professional skills and value to our facilities. Training topics ranged from customer service techniques to basic job skills to computer skills.

Our employee body exemplifies the diversity found in metropolitan Atlanta, and we continue to work with area organizations to provide job and community support. The Atlanta Housing Authority recognized us for our ongoing support and commitment to the welfare-to-work job-training program. The Authority received an award from Community Friendship, Inc., a non-profit psychiatric program for metro Atlanta, for our involvement in its work opportunities effort.





Georgia World Congress Center Authority Balance Sheet as of June 1998

ASSETS	GWCC	DOME	TOTAL
Cash	16,826,176	54,349,259 (1)	71,175,435
Accounts Receivable	4,686,517	2,256,136	6,942,653
Prepaid Expense	20,815	9,652	30,467
Inventories	243,242		243,242
Advances to Other Funds (Dome)	4,212,216		4,212,216
Deferred Charges		3,127,740	3,127,740
Fixed Assets			
Equipment/Building	248,689,884 (2)	172,722,846	421,412,730
TOTAL ASSETS	274,678,850	232,465,633	507,144,483
LIABILITIES & FUND BALANCE	GWCC	DOME	TOTAL
LIABILITIES:	Maria Sala		-
Vouchers Payable	2,835,637	6,187,304 (1)	9,022,941
Debt Service		7,406,327	7,406,327
Term Loan/Bond Payable		191,632,092	191,632,092
Interfund Payable		4,212,216	4,212,216
RESERVES:			
Designated	19,451,160	14,630,593	34,081,753
Deferred Revenue		18,550,517	18,550,517
Investments in Fixed Assets/Bldg.	247,511,954	10,682,122	258,194,076
FUND BALANCE:			
Pre-Depreciation	5,226,852	21,660,624	26,887,476
Less Depreciation	(346,753)	(42,496,162)	(42,842,915)
TOTAL LIABILITIES & FUND BALANCE	274,678,850	232,465,633	507,144,483

NOTES: (1) includes \$ 10,725,166 14,517,820 Debt service interest and credit enhancement Security deposits (suites and seats)

(2) 244,150,000 Land and building (funding provided by State of Georgia general obligation bonds)



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Georgia World Congress Center Facilities - Plan On It.

Marketing research we conducted in 1998 revealed that a major factor that differentiates the Georgia World Congress Center Authority from its competitors is our willingness and ability to solve problems.

That means people have come to expect us to do the right thing the right way.

The result: Customer satisfaction, repeat business and an enviable reputation for professional excellence.

To underscore and capture the essence of our can-do attitude, we adopted this year a new advertising slogan of "Plan on it." In developing our ad campaign, we compiled an "Amazing Story File." It chronicles specific incidents of our employees' commitment to ensuring our guests' experience with us is unrivaled.

For example: By organizing 700 servers around 100 buffet lines, the Congress Center managed to feed in under two hours the more than 70,000 attendees of the largest ever AMWAY marketing group convention.

A visiting food service executive credited an Authority receptionist for "laying the groundwork for a multi-million dollar deal" through her prompt response to a request for a room in which to hold an ad hoc meeting.

A Honda executive left his personal digital assistant at a public phone inside the Congress Center. A housekeeper retrieved it; and three days later our Security was able to track down the delighted owner, who had given his electronic helper up for lost.

When the Atlanta Hawks decided to use the Georgia Dome as their home venue for part of their 1997 - '98 and 1998 - '99 seasons, they asked for modifications in the facility's basketball seating configuration. Not an easy task considering fixed seat restrictions, line-of-sight concerns, building codes, Americans with Disabilities Act requirements, the need for quick conversions from NBA basketball court to NFL football field for the Atlanta Falcons, and the short time frame within which to fulfill the request. By combining creativity and customer service, however, the Dome had one-of-a-kind moveable risers designed, manufactured and installed in time for the opening tip-off.

Thanks to precise GWCC planning and execution, four Apache helicopters were landed at the Congress Center and towed inside for the Army Aviation show in less than 90 minutes instead of the entire day that such an operation would usually take to accomplish.

A National Auto Dealer Association director praised the Congress Center as "unique among all facilities nationally in its cleanliness, professionalism, physical plant, contiguous halls, modern look, and traffic flow," which led to "the most successful meeting ever had by NADA."

The file is large and growing but can be summed up in a quote from Rita Shea of Manhattan, an exhibitor at both the E³ and SuperComm shows in 1998: "The Georgia World Congress Center facilities are simply a civilized place to do business."

plan

