



Georgia World
Congress Center
Authority

BOARD OF GOVERNORS MEETING

MAY 21, 2024

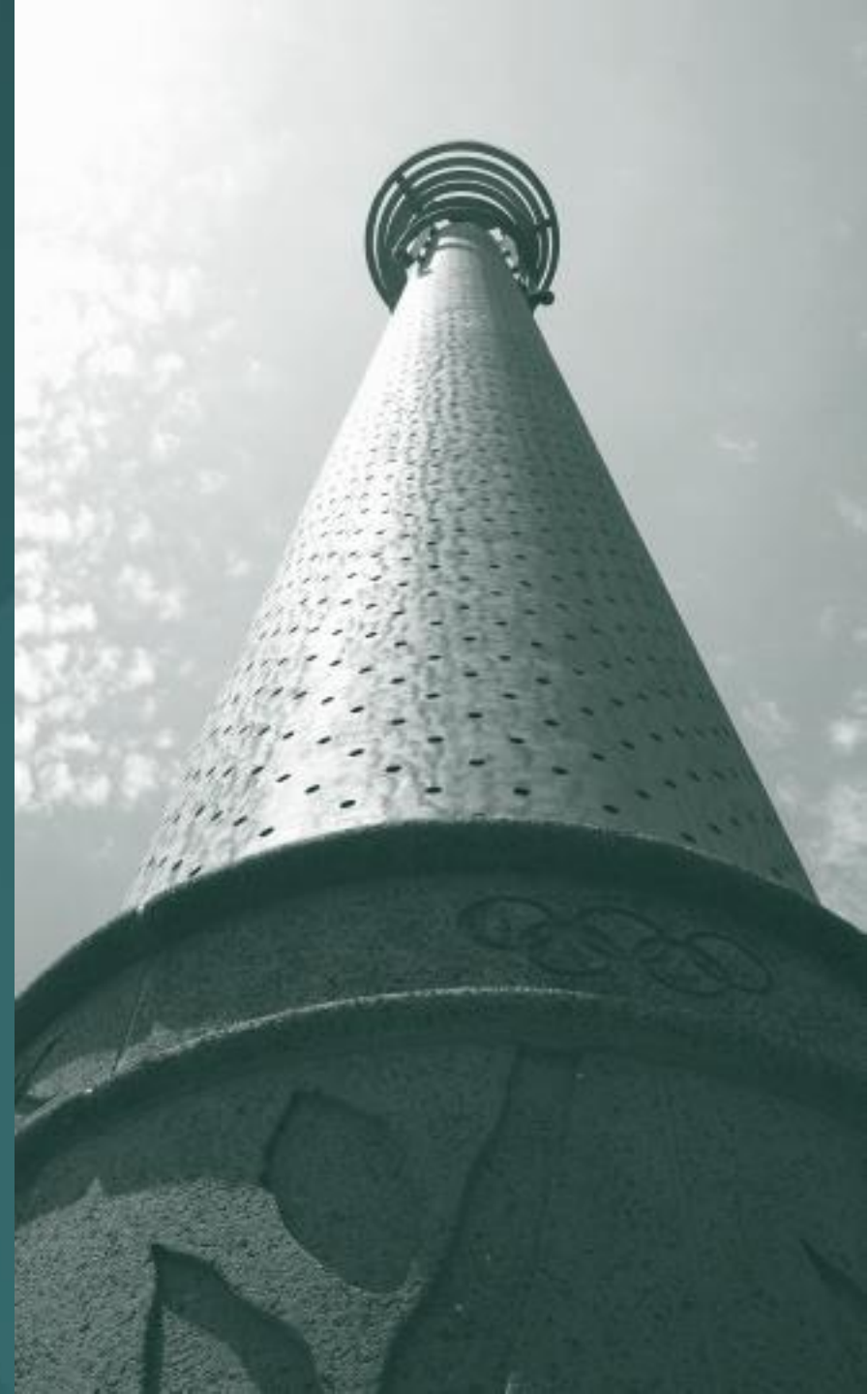
Approval of Minutes April 30, 2024



Financial Update & FY25 Budget Recommendation

Rey Rodriguez
Director of Finance

Chris Dugger
Director of Accounting



Agenda

- April Financial Snapshot
- FY24 Forecast Update
- FY25 Budget Recommendation
- FY24 Surplus Recommendation

Financial Snapshot: April



Month	Budget	Actual	Variance
Revenue	\$5,983,177	\$7,967,901	↑ \$2.0M 33.2%
Expense	\$4,747,848	\$4,944,507	↑ \$197K 4.1%
Net Profit	\$1,235,329	\$3,023,393	↑ \$1.8M

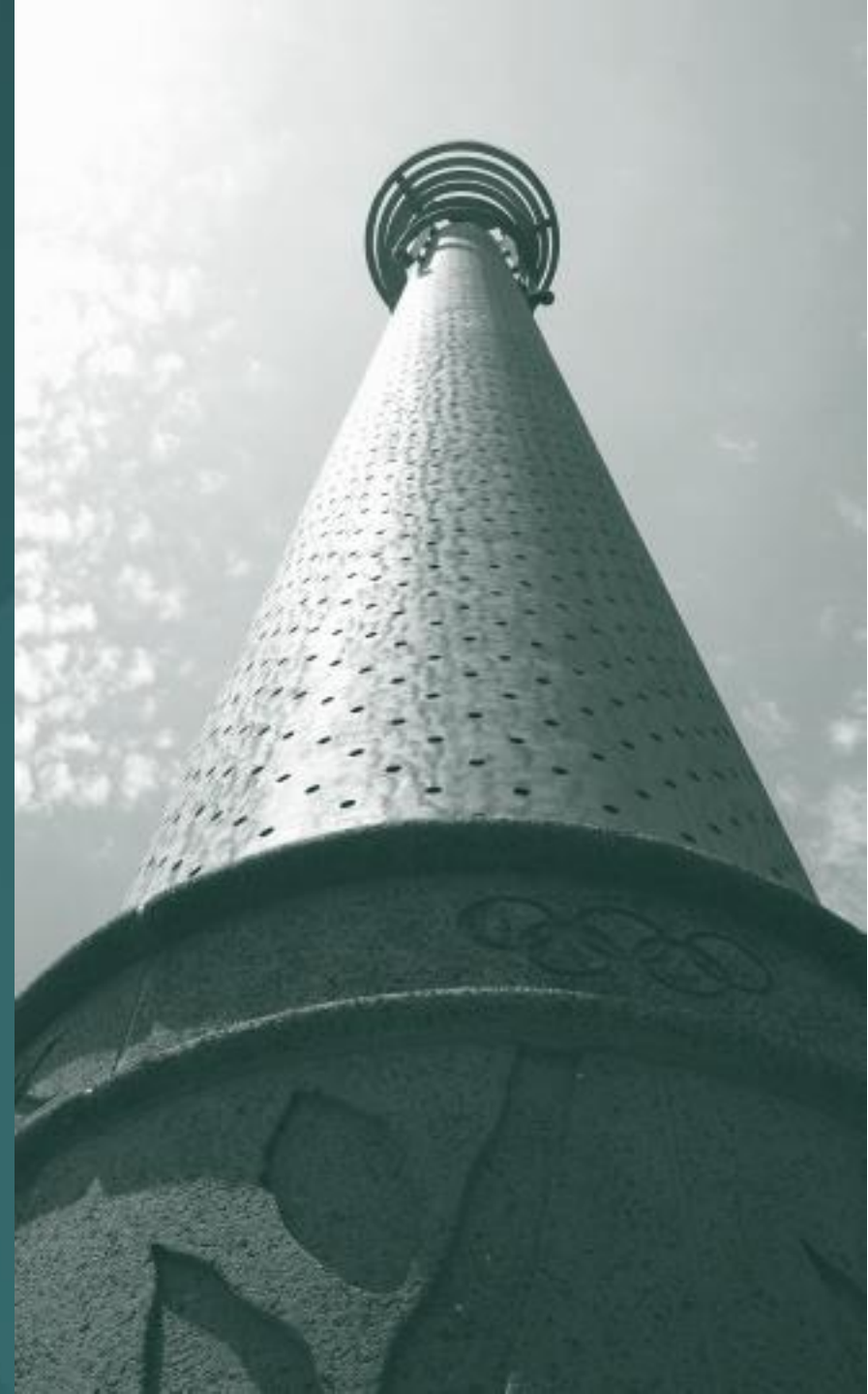
Financial Snapshot: YTD thru April 2024



Month	Budget	Actual	Variance
Revenue	\$44,997,304	\$56,345,911	↑ \$11.3M 25.2%
Expense	\$43,654,816	\$47,084,577	↑ \$3.4M 7.9%
Net Profit	\$1,342,488	\$9,261,334	↑ \$7.9M



FY24 Forecast Update



FY24 Revenue

	Budget	Forecast	Variance
Space Rental	\$14,855,608	\$15,168,853	\$313,245
Utility Services	\$7,344,378	\$8,730,388	\$1,386,010
Parking	\$8,422,500	\$8,353,885	(\$68,615)
Food & Beverage	\$5,000,095	\$9,610,140	\$4,610,045
Hotel/Motel Tax	\$8,439,477	\$8,440,777	\$1,300
Contract Labor/Services	\$3,724,480	\$7,205,065	\$3,480,585
Telecom/Audio Visual	\$2,906,338	\$3,772,172	\$865,834
Advertising/Sponsorship	\$1,535,001	\$1,703,275	\$168,274
Other	\$2,070,100	\$4,039,823	\$1,969,723
Total Revenue	\$54,297,977	\$67,024,379	\$12,726,402

FY24 Expenses

	Budget	Forecast	Variance
Salaries	\$13,434,984	\$13,437,795	\$2,811
Overtime	\$122,500	\$298,375	\$175,875
Temporary Help	\$2,672,234	\$4,354,367	\$1,682,133
Fringe Benefits	\$8,602,130	\$7,990,372	\$(611,758)
Regular Operating	\$13,137,977	\$16,541,856	\$3,403,879
Equipment	\$240,050	\$253,321	\$13,271
Per Diem/Fees/ Contractual	\$11,034,424	\$12,902,066	\$1,867,642
IT/Other	\$3,652,301	\$3,656,430	\$4,129
Total Expenses	\$52,896,600	\$59,434,583	\$6,537,983

FY24 Net Operating Profit

	Budget	Projected	Variance
Revenue	\$54,297,977	\$67,024,379	\$12,726,402
Expenses	\$52,896,600	\$59,434,583	\$6,537,983
Net Profit	\$1,401,377	\$7,589,797	\$6,188,420



FY25 Budget Recommendation

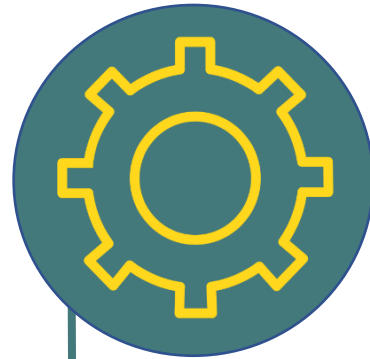


FY25 Key Performance Indicators



FINANCIAL

Focus on **self-supporting** and **maximizing profitability**



FACILITIES

Focus on **safe** and **flexible** venues



CUSTOMER

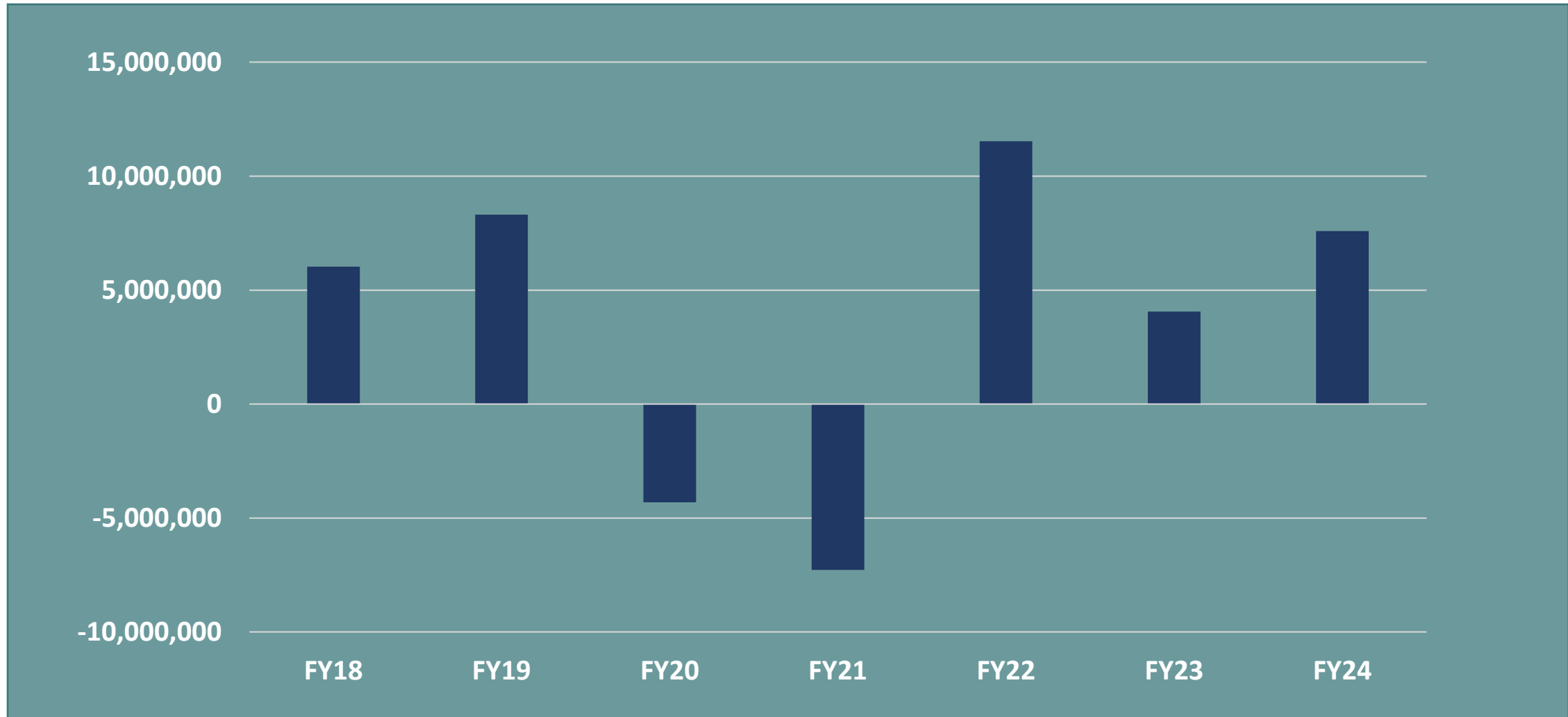
Focus on increasing **demand and overall satisfaction** among visitors and guests



TEAM

Focus on **building organizational culture**, keeping and **developing A-talent**

Historical Net Profit



FY25 Key Budget Influencers

- Overall Revenue **-5.5%**
- Salaries: Targeted market adjustment and merit pool **+8.6%**
- Per Diem/Fees/Contracts **+10.3%**

FY25 Budget Highlights: Revenue

- **Space Rental +\$1M**
 - 78 events budgeted
 - 8 large events (over \$500K) vs. 7 in FY24
 - ITYFTY: \$1.5M

- **Utility Services +\$407K**
 - 4 large events (over \$500K) – vs. 5 FY24
 - ITYFTY: \$424K

FY25 Budget Highlights: Revenue (cont'd)

- Food & Beverage **-\$2.6M**
 - 71 events budgeted vs. 67 from FY24 Budget
 - 5 events with over \$500K in F&B minimum
 - ITYFTY: \$2.0M

- Hotel/Motel Tax **+513K**
 - 6.1% increase over FY24 forecast

- Contract Labor/Services **-\$2.3M**
 - Public Safety/Security variable with event activity

FY25 Budget Details: Revenue

	Budget FY24	Forecast FY24	Budget FY25	Variance to FY24 Forecast
Space Rental	\$14,855,608	\$15,168,853	\$16,202,738	\$1,033,885
Utility Services	\$7,344,378	\$8,730,388	\$9,137,408	\$407,020
Parking	\$8,422,500	\$8,353,885	\$8,476,713	\$122,827
Food & Beverage	\$5,000,095	\$9,610,140	\$7,037,472	\$(2,572,668)
Hotel/Motel Tax	\$8,439,477	\$8,440,777	\$8,954,131	\$513,354
Contract Labor/Services	\$3,724,480	\$7,205,065	\$4,872,015	\$(2,333,050)
Telecom/Audio Visual	\$2,906,338	\$3,772,172	\$3,373,876	\$(398,296)
Advertising/Sponsorship	\$1,535,001	\$1,875,000	\$2,021,009	\$146,009
Other	\$2,070,100	\$3,868,098	\$3,287,291	\$(580,807)
Total Revenue	\$54,297,977	\$67,024,379	\$63,362,653	\$(3,661,726)

FY25 Budget Highlights: Expenses

➤ Salaries **+9%**

- 184 FTEs
 - 13 ARPA funded
- Targeted market adjustments and 3% merit pool

➤ Overtime/Temporary Help **+5%**

- \$212K increase compared to FY24

➤ Fringe Benefits **+6%**

- Increasing as it relates to salary adjustments

FY25 Budget Highlights: Expenses

➤ Regular Operating **-7%**

- Due to the approved FY24 in-the-year purchase of chairs, tables and risers

➤ Per Diem/Fees/Contracts **+11%**

- Floor Care Program - \$502K
- Show Labor - \$433K
- Contractual Housekeeping – \$282K
- Project Management – Master Plan - \$315K

FY25 Budget Details: Expenses

	Budget FY24	Forecast FY24	Budget FY25	Variance to FY24 Forecast
Salaries	\$13,434,984	\$13,437,795	\$14,600,004	\$1,162,209
Overtime	\$122,500	\$298,375	\$259,690	\$(38,685)
Temporary Help	\$2,672,234	\$4,354,367	\$4,604,941	\$250,574
Fringe Benefits	\$8,602,130	\$7,990,372	\$8,499,086	\$508,715
Regular Operating	\$13,137,977	\$16,541,856	\$15,336,670	\$(1,205,186)
Equipment	\$240,050	\$253,321	\$200,000	\$(53,321)
Per Diem/Fees/Contractual	\$11,034,424	\$12,902,066	\$14,234,820	\$1,332,754
IT/Other	\$3,652,301	\$3,656,430	\$3,603,310	\$(53,120)
Total Expenses	\$52,896,600	\$59,434,583	\$61,338,521	\$1,903,938

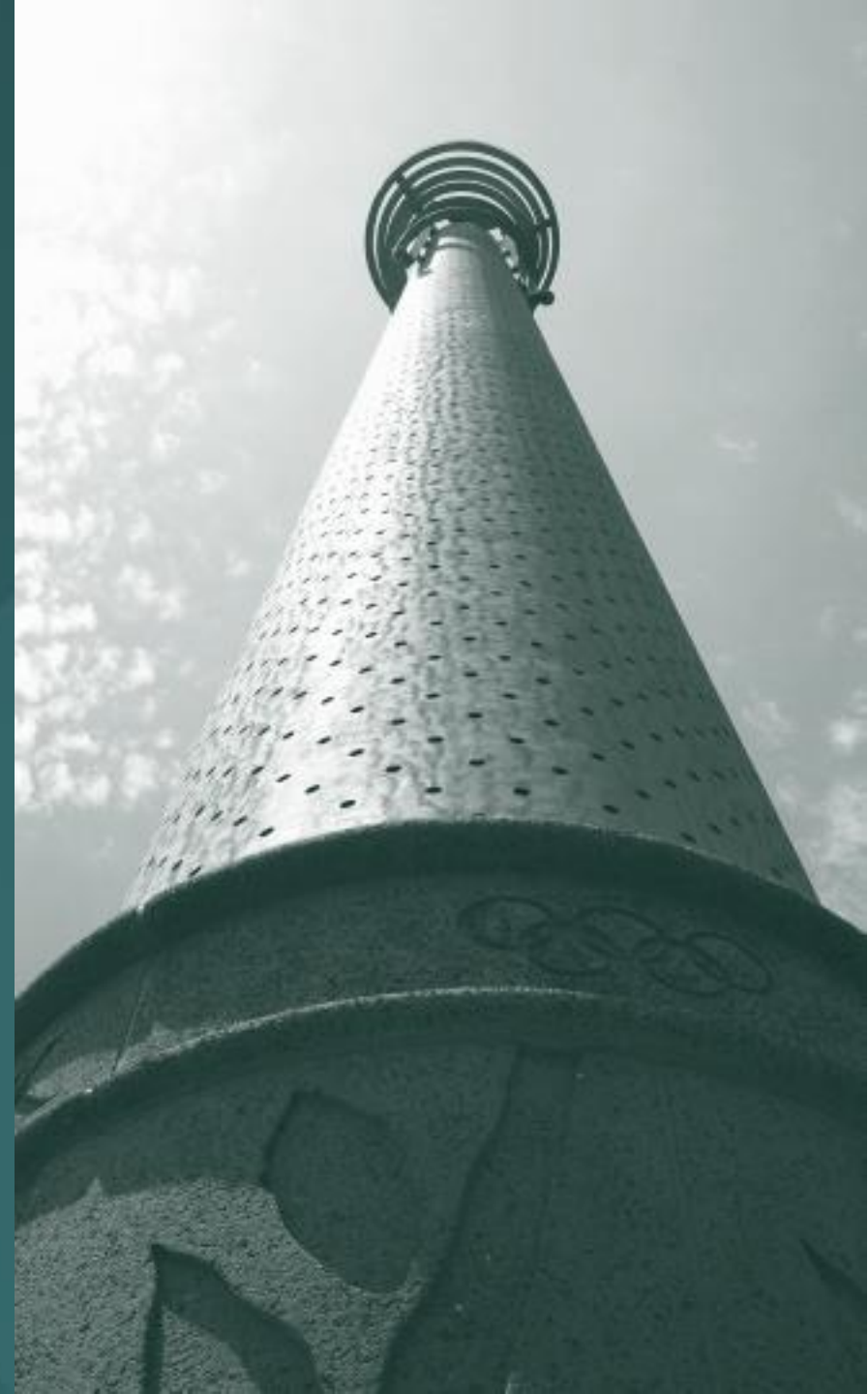
FY24 Budget Recommendation

	FY24 Budget	FY24 Projected	FY25 Budget
Revenue	\$54,297,977	\$67,024,379	\$63,362,653
Expenses	\$52,896,600	\$59,434,583	\$61,338,521
Net Profit	\$1,401,377	\$7,589,797	\$2,024,132



FY24 Surplus Recommendation

Chris Dugger
Director of Accounting



FY24 Surplus Recommendation

Reinvest net operating income from FY24 as outlined below:

- \$2.5M: Fund Balance/Cash Reserves
- \$750K: OPEB Trust Fund
- \$750K: Incentive Plan
- \$3.5M: Fund Capital/Maintenance and Equipment Reserves*

**Any amount over \$7.5M would be allocated to fund additional capital/maintenance reserves*

Questions?

Recommendation

Board of Governors approval of FY25 budget and FY24 surplus recommendation as presented to and approved by the Finance Committee on May 15, 2024



Centennial Olympic Park Ring Fountain Upgrade & Refurbishment Project

Kevin Duvall
Chief Operating Officer



COP Ring Fountain Project

Project Background

- 1996: Original Construction
- 2007: Last Renovation to Fountain
- Current Condition:
 - Outdated technology and controls
 - Outdated nozzles and lighting
 - Non-operational fog system
 - Limited show variability and control
 - No remote access to the system



COP Ring Fountain Project

Project Overview

- Upgrade and refurbishment of the existing COP Ring Fountain System
- Upgrades include:
 - Updated technology and controls
 - Upgraded water valves
 - Upgraded lighting
 - Repair fog system
 - Provide remote access
 - New waterproofing of trench basin





COP Ring Fountain Project

PROJECT COST		
Category	Cost	Notes
Design Fees	\$46,000	Architect/engineering costs
Fountain Ring System	\$2,137,003	Valves, nozzles, lights, controls, fog system, choreography services, etc.
General Contractor	\$1,235,626	Installation, labor, GC fees, OH+P
Contingency (3%)	\$102,371	Owner held; calculated on construction cost
Overall	\$3,521,000	
PROJECT FUNDING		
Woodruff Foundation Grant	\$2,500,000	
GWCCA Reserve Funds	\$1,021,000	

COP Ring Fountain Project

Board Action Requested

- Authorization to enter into an agreement with Hogan Construction Group
- Contract amount: \$3,372,629
 - Includes purchase and installation of fountain equipment and other related work



Questions?



Action Item: Hogan Construction Contract

Pargen Robertson
Chief Legal Officer



Resolution

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of the Geo. L. Smith II Georgia World Congress Center Authority that the Chief Executive Officer is authorized, though not required, to execute and deliver, in substantially the form attached hereto as Exhibit A, but subject to the occurrence or satisfaction of any and all applicable contingencies, terms and conditions, an agreement with HOGAN CONSTRUCTION GROUP for specified work and work product, but only so long as such agreement complies with applicable law and, in the judgment of the Chief Executive Officer, is consistent with the corporate purposes and mission of the Authority and the Authority's sound business practices.

BE IT FURTHER RESOLVED that the Chief Executive Officer is authorized to take any and all actions, to execute and deliver any and all documents, agreements, certificates and instruments and to take any and all steps deemed by the Chief Executive Officer to be necessary or desirable to consummate the execution of an agreement for such work and work product and to carry out the purpose and intent of the foregoing resolution, and all actions heretofore taken in furtherance thereof are hereby ratified and confirmed in all respects.

Questions?

Next Scheduled Meeting

June 18, 2024



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THANK YOU