

Buffalo Niagara Convention Center
Board of Directors Meeting
April 27, 2016

PRESENT: C. Abbott-Letro, D. Boswell, D. Gallagher-Cohen, D. Hartmayer, L. Haynes, P. Kaler, R. Kramer, B. Niland, M. Patel, E. Rath, M. Roberts, B. Rossi, J. Sandoro, L. Zemsky

ABSENT: S. Boyd, J. Dandes, D. Murphy, P. Snyder, H. Taran, T. Vazquez

GUESTS: D. Gonser, C. Linsey, C. Mardiks

STAFF: M. Even, E. Healy, C. Kincaide, D. Marzo, P. Murphy, J. Smith

CALL TO ORDER: The meeting was called to order at 4:50 p.m.

Ms. Roberts chaired the meeting in Mr. Dandes' absence. She welcomed new Board member, Bridget Niland, appointed to the Board by the County Executive.

APPROVAL OF MINUTES: A motion was made by Ms. Gallagher-Cohen and seconded by Mr. Boswell to approve the January minutes. Motion carried.

BNCCMC AUDIT: Ms. Abbott-Letro reported that the Audit and Finance Committee met with representatives from Lumsden & McCormick on April 20th to review the results of the audit. The Committee unanimously approved the audit report.

Ms. Gonser reviewed the draft audit report, management letter and financial statements. She reported the following:

- A clean/unmodified opinion was issued.
- As a public authority, the Center is subject to Government Auditing Standards which requires additional testing for internal controls and compliance.
- The Convention Center Management Corporation is related to VBN through common governance and shared administrative services.
- The field work for the Center was performed in mid-February because of the ABO requirement to upload the audited financials by March 31, 2016.
- They are independent with respect to the Convention Center.
- Management was prepared for the auditors to begin their field work. There were no audit difficulties or disagreements with management and accounting policies were consistently applied.
- They performed limited fraud procedures; no unusual items were noted.
- They also performed a review of journal entries and conducted staff/board interviews.

Ms. Gonser noted that based on recommendations from last year, the Center implemented procedures to mitigate separation of duties concerns.

Ms. Gonser reviewed the Statement of Activities and noted that revenues were up about \$500,000; the majority of the increase was from in-house catering, both from more events and a price increase. The gross profit percentage remained fairly consistent.

On the expense side, payroll and related expenses were up about \$300,000, due to an increase in the worker's comp premium, the addition of a new F&B manager position, increases related to the second year of the collective bargaining agreements and higher overtime costs due to additional business. In-house catering expenses were up \$157,847, which is consistent with the revenues. At the end of the year, the change in unrestricted net assets was \$63,792.

Ms. Gonser reported at year end, assets totaled \$1,488,241, liabilities were \$538,772 and unrestricted net assets were \$948,469.

A motion was made by Ms. Gallagher-Cohen and seconded by Ms. Haynes to approve the audited financial statements as presented. Motion carried.

FINANCE REPORT: Mr. Marzo reviewed the financial statements for the period ending March 30, 2016 and reported the Center is running very close to budget. Projections have been included in the packets which run through the end of the year.

A motion was made by Ms. Gallagher-Cohen and seconded by Mr. Kramer to accept the financial statement as presented. Motion carried.

Q1/DIRECTOR'S REPORT: Mr. Murphy reported he has been working with Erie County Department of Public Works on the Center's 2017 capital request of \$2.5 million. Areas that will be addressed include the lobby, rest rooms and updates to the ballroom. Meetings have been scheduled with legislators to lobby them to maintain the amount of the capital request. Mr. Murphy reported they are also proceeding with projects this summer in the loading docks and exhibit hall.

ADJOURNMENT: A motion was made by Mr. Hartmayer and seconded by Mr. Patel to adjourn the meeting. Motion carried.

Meeting adjourned at 5:20 p.m.

Minutes prepared by J. Smith

Approved:


Mary Roberts, Chair-Elect 