

**Buffalo Niagara Convention Center
Board of Directors Meeting
Wednesday, August 1, 2018**

PRESENT: L. Haynes, T. Hersey, P. Kaler, R. Kramer, T. Long, M. Murphy, M. Roberts, J. Sandoro, D. Spasiano, H. Taran, T. Vazquez

ABSENT: C. Abbott-Letro, D. Boswell, J. Dandes, D. Gallagher, B. Niland, E. Rath, B. Rossi, P. Snyder, L. Zemsky

GUEST: J. O'Connell (rep. P. Snyder)

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

CALL TO ORDER: Chair, Mary Roberts, called the meeting to order at 3:55 p.m.

APPROVAL OF MINUTES: A motion was made by Mr. Hersey and seconded by Mr. Long to approve the minutes of the May meeting. Motion carried.

FINANCE REPORT: Ms. Roberts stated that the financial statements for the Convention Center were emailed to the Board last week. She asked Mr. Marzo to report on the highlights.

Mr. Marzo reviewed the financial statements for the period ending June 30, 2018. He reported for the six month period the Center realized an increase in net assets of \$279,970, which is ahead of budget by \$196,000. The increase in revenues is due to higher than budgeted earned revenues from food and beverage, facility rentals, and electrical services, as well as \$12,000 in unbudgeted revenue from M&T bank events.

Through June 30, expenses are running \$23,000 behind budget, which is mostly due to timing. Payroll is down due to union contract negotiations that were not completed until June. In July and August, retroactive pay will be paid out as a result of the new contracts. That will bring the salaries more in line with budget.

Occupancy Costs are running above budget due to higher utility costs as a result of a colder first quarter than in 2017. We have also seen an increase in security expense due to the need to create separation for events that were held concurrently at the center because of lack of available dates.

The Center plans to make approximately \$50,000 in capital equipment purchases this year. The installation of escalator safety brushes has been finalized (\$11,000) and recovering the remaining banquet chairs (\$37,000) will also be completed.

Q2 REPORT: Mr. Murphy reported that the second quarter was very active for the facility. For the quarter, earned revenues were over budget by 23.9% and number of events and attendees were both over budget. Year to date, earned revenues were up 1.7% and we expect to end the year 3% over budget.

Major events hosted include the Buffalo Wine Festival, New York State United Teachers, St. Joe's Lasallian and Insurance Club of Buffalo I-Day. Major bookings include the Delaware North F&B Summit, West Herr Employee Appreciation Event and UB Dental.

GENERAL MANAGER'S REPORT: Mr. Murphy reported the union contract negotiations were completed in June. It was a lengthy process; negotiating a new drug and alcohol policy took additional time. The financial impact of the negotiated contract agreements is a 3% increase total for wages, health insurance and pension. Strategically, slightly more was put into wages during these negotiations in an effort to be more competitive in attracting and retaining employees. After a series of training sessions and communication with staff and union representation, the drug and alcohol policy will be implemented in the fall for all employees.

Mr. Murphy reported the final draft of the Convention Center study should be available to us shortly. On Thursday, August 9th we are hosting the Steering Committee at the Center to review the final draft. Next steps include a presentation to the Board, elected officials and a public presentation.

The Bar Exam held in July brought in more than 3,000 people to the community. This was the first year of a three year contract. One of the concerns they brought up to us is that they've had some complaints about the tables we use for this event. We are working with them to address their concerns.

ADJOURNMENT: A motion was made by Mr. Taran and seconded by Mr. Murphy to adjourn the meeting. Motion carried. Meeting adjourned at 4:20 p.m.

Minutes prepared by J. Smith

Approved: Mary Roberts
Mary Roberts, Chair /jas