

Buffalo Niagara Convention Center Management Corp.
Board of Directors Meeting
February 6, 2015
WNED Board Room

PRESENT: C. Abbott-Letro, S. Boyd, J. Dandes, D. Hartmayer, L. Haynes, P. Kaler, R. Kramer, K. Mitchell, D. Murphy, M. Patel, M. Roberts, T. Vazquez

ABSENT: D. Boswell, D. Gallagher-Cohen, G. Praetzel, E. Rath, J. Sandoro, P. Snyder, M. Whyte, L. Zemsky

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

The meeting was called to order at 8:38 a.m.

APPROVAL OF MINUTES: The November minutes were approved by S. Boyd and seconded by L. Haynes. Motion carried.

FINANCE REPORT: Mr. Marzo reviewed the December 31, 2014 financial statement and reported that the Center realized an increase in net assets of \$52,421. He reported that revenues are running ahead of budget by \$219,000, mainly due to earned revenues from food and beverage, rental and electrical services. For the twelve month period, expenses are over budget by \$166,728.

Mr. Marzo reviewed the variances in expenses as follows:

- The increase in personnel costs are related to the increase in manpower required for the additional events and larger groups, and increases in unemployment and workers comp costs.
- The decrease in Professional Fees is due to lower than expected legal costs, due to work on the ABO transition being on hold.
- Supplies are over budget as a result of purchasing tables, kitchen related supplies, electrical and janitorial supplies and new lighting. These purchases were included in the approved plan to utilize the funds returned by the County from the 2013 retainage.
- Occupancy costs are under budget due to lower utility costs and building repair costs.
- The increase in Promotional Expenses resulted from the engagement of e-Brains to produce additional advertising/promotion for the Center.

Mr. Marzo reported the audit field work has been completed. The audited financial statements will be presented to the Finance Committee in March so they can be uploaded to the ABO site by the end of March. They will be presented to the Board with the VBN audited financials at the May meeting.

A motion was made by D. Hartmayer and seconded by M. Roberts to approve the financial statements as presented. Motion carried.

DIRECTOR'S REPORT: Mr. Murphy reported that they hired Eric Copeland for the Food and Beverage Manager position. Eric has years of experience in this role with Global Spectrum at various other Convention Centers. The decision was made to add this position due to the increase in business at the facility over the past few years, specifically in the F&B area.

Mr. Murphy reported they have begun negotiations on the three union contracts in place at the building. He noted that small salary increases were budgeted this year.

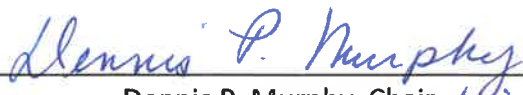
Regarding the ABO, the Mayor has acknowledged that he plans to sign off on the transition documents, but at this point, he has not. We are not in full compliance with the ABO and have received a formal written warning. Staff has submitted the appropriate reports to be as compliant as possible, but we are at a standstill until the City signs off. Mr. Kaler has spoken to the Mayor, who indicated they are going to move it forward. He told the Mayor that the March 31 deadline is coming up and if there are things that the City wants, we are open to them, but they need to communicate what they want so that we can move this along.

4th QUARTER REPORT: Mr. Murphy reviewed the highlights of the Q4 report as follows:

- Earned revenues for Q4 are up 18.4% and YTD are up 14.7%. The majority of the increase is from food and beverage revenues, up 22.2% for the year.
- Major Events Hosted include the Greater Buffalo Hall of Fame Dinner (this is expected to be an annual event), UB Dental, and the Delaware North Food and Beverage Summit (they are making this a bigger event and it may turn into a five-day event).
- Major Bookings include a 6-year contract with the Snow Symposium from 2017-2022 and Alpha Kappa Alpha for 2016.

ADJOURNMENT: A motion was made by Mr. Boyd and seconded by Mr. Kramer to adjourn the meeting. Motion carried. Meeting adjourned at 8:55 a.m.

Minutes prepared by J. Smith

Approved: 
Dennis P. Murphy, Chair / *gas*