



Buffalo Convention Center

Board of Directors Meeting
Wednesday November 8, 2023
Buffalo Convention Center, Room 106A

PRESENT: C. Abbott-Letro, M. Brown, D. Castle, A. Chase, P. Kaler, T. Long, K. Minkel, S. Ranalli, D. Schutte, D. Spasiano, H. Taran, G. Wells

ABSENT: M. Alnutt, T. Beauford, M. Chiazza, D. Gallagher, M. Glasgow, W. Paladino, M. Roberts, M. Urbanczyk

STAFF: J. Bialek, J. Calkins, E. Healy, D. Marzo, R. Toney

GUEST: D. Gonser

CALL TO ORDER: Board Chair, Ms. Abbott-Letro, convened the meeting of the Buffalo Convention Center Board of Directors at 3:05 p.m.

APPROVAL OF MINUTES: A motion was made by K. Minkel and seconded by D. Spasiano to approve the August minutes. Motion carried.

WELCOME: New board member, David Schutte, President of Schutte Hospitality Group.

FINANCE REPORT: Mr. Marzo introduced Donna Gonser, partner at Lumsden & McCormick, to give an update on the accounting situation at the Center. Ms. Gonser reported that due to staff turnover, the accounting records were not current, so her firm assisted management in bringing them up to date starting in May. The financials are now completed through June 30, 2023. Moving forward, the plan is that Lumsden & McCormick will assist with July, August and September and then have quarterly financials for Q3. After that, they will turn it over to management to bring them up to date from September through year end.

Ms. Gonser also reported that even though the audit procedures were not designed to detect fraud, nothing unusual was noted. There just appears to be a lack of attention to the bookkeeping, due to staff transitions, and it needed to be reconciled properly. Work has already been started on July, August, September.

Balance Sheet: Mr. Marzo reported that at the end of June, the Center had about \$2.25 million in total assets, comprised mostly of cash and accounts receivable. Receivables are a little high for June

compared to the prior year due to a backlog in billing, due to staff transitions. The receivables on the books are current as far as collectability. The remainder of assets are consistent with inventory and prepaid expenses. The difference you will see year over year is a result in how they recorded their prepaid general liability insurance. In 2022, they were required to pay all up front. In 2023 that billing process changed to where they pay quarterly.

The majority of liabilities are made up of deferred revenue from the Erie County Grant and advanced client deposits. This leaves us with unrestricted net assets of \$692,000 at the end of June, leaving us with about \$2.25 million in liabilities and net assets.

Statement of Activities: Through June, the Center finished with a decrease in net assets of about \$237,000, which is slightly behind budget. There are some revenue producers with good gross margins that should help offset that decrease in net assets.

Through June, the Center recognized County grant funds just under \$1 million, with total earned revenues of about \$869,000.

Payroll and related costs, including operation and maintenance, are running slightly ahead of budget. A portion of that is being driven by timing with respect to vacation and PTO accruals, and by increased business levels at the building through June. The majority of the expenses through June are consistent with and close to budget. We didn't notice anything for the first six months that raised any alarms.

A motion was made by D. Spasiano and seconded by D. Castle to approve the financial statements as presented. Motion carried.

Q3/GENERAL MANAGER'S REPORT: Mr. Calkins reported that Q3 events were strong this year. The Foundation for Manufacturing Excellence, Oddities and Curiosities, and Nickel City Comic Con attendance was very strong. These helped boost Q3 numbers. The Bar Exam is back to pre-Covid numbers. Q4 looks strong with the World's Largest Disco having already sold out. There are also increases in single day and week-long meetings. There is a good outlook for Q4 and numbers are exceeding 2019.

Mr. Calkins reported that the façade has gotten rave reviews as the color schemes can be customized for the client. The Pearl Street reinforcement project is almost done. Verizon invested in four new towers and access points for wireless internet in the building. This project is getting completed next week.

Erie County purchased two security entry gates. These gates provide a very thorough quick scan of the customer. They were used for the first time with the New York State School Board Association; it was a seamless process and they worked very well. The gates will be used for the World's Largest Disco and the Turkey Trot.

A client and customer survey was rolled out last week and has been very effective. It works as a notification system for guests to alert the center of something they see that needs attention. It also works as a customer feedback system for events.

Technology upgrades are in the study and design phase. Updates will include lighting, carpeting and AV equipment in the lower-level ballrooms and meeting rooms. We are currently waiting for the budget to come out and will then be ready to complete the projects once the study is complete.

The press conference for the renaming of the building went very well.

ADJOURNMENT: There being no further business, a motion was made by Ms. Minkel and seconded by Mr. Castle to adjourn the meeting. Motion carried. Meeting adjourned at 3:33 p.m.

Minutes prepared by J. Bialek

Approved: /s/ Cindy Abbot-Letro
Cindy Abbott-Letro, Chair