Finance Committee Agenda for 9-16-2021 2:30-4pm

1. Minutes from June meeting (EXHIBIT A)

2. Minutes from August meeting (EXHIBIT B)

3. August financials – CFA (EXHIBIT C)

4. Proposed 2021 Budget Amendment (EXHIBIT D)

5. Other items as determined by members

MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Regular Meeting Minutes
June 17, 2021 2:30 PM
Via Telephonic/Electronic Means

BOARD OF DIRECTORS – Finance Committee Meeting

PRESENT: Sean Fraunfelter, LaShea Lofton, Kevin Weckesser, Thomas Whelley

EXCUSED: Kevin Weckesser joined at 2:55 pm and had given prior notice of a pre-commitment

GUESTS: Pam Plageman, Executive Director, Jennifer Lukacs, Special Projects Manager, Kelli Donahoe, ASM, John Page, ASM, Cheryl Patterson, ASM, Mike Burns, RW Baird

I. Roll Call

Mr. Fraunfelter called the meeting to order at 2:34 PM and called the roll.

II. Approval of May Minutes

Mr. Fraunfelter asked members of the Committee if they had any edits to the minutes. Hearing none, Mr. Fraunfelter called for a motion to approve the minutes.

Motion: It was then moved by Mr. Whelly and seconded by Ms. Lofton and unanimously voted "to approve the May 25, 2021, Finance Committee meeting minutes as presented".

III. April Financials – DCC/ASM (Exhibit A)

A. Reports and Communication

i. Mr. Fraunfelter recapped the April Facility Statement of Income along with actuals and variance. Ms. Patterson explained the event statements include food and beverage and this is addressed in the financial summary page. It was also noted contracted services applied to security and cleaning. Other operating expense include trash, exterminating, HVAC maintenance, and electric. It was noted Chef Mark Ceccio, Executive Chef/F&B Director, started the 22nd of April 2021 at the Dayton Convention Center.

B. Balance Sheet Management

ii. Ms. Plageman noted the asset summary provides 100k of assets to start with. Between April 1st to the 26th the Dayton Convention Center was a COVID-19 vaccine hub. A portion of expenses listed on income statement are related to supporting the community during the states vaccination goal to curb the spread of the pandemic.

iii. Mr. Whelley noted the months prior to April have no financial statement history. Ms. Patterson provides the CFA a list of invoices presented for payment to Mr. Fraunfelter. Ms. Plageman, and Ms. Donahoe to approve list for payment. The list should include reoccurring service contracts for the DCC and follow the procurement policy.

IV. Operating Budget DCC/ASM (Exhibit B)

A. Event Management Overview

i. Ms. Donahoe mentioned the event management software VenueOps will aide in reporting the communicated event plans. This allows the ability to report expenses both direct and indirect. Ms. Donahoe also noted ASM is working to forecast revenue stream from the City and hopes to see a further increase in events for 2021, noting that 7 events have been added for 2021 this far. Ms. Donahoe mentioned the volatility of labor market is coming up short. ASM is currently looking to fill positions for all levels of event execution along with accounting and operations management staff. Customer's budget and what they are willing to spend will be determined mostly by food/beverage and audio-visual needs. Ms. Donahoe is prepared to offer pre-pandemic rates in attempts to improve event sales while the community emerges from a global pandemic.

ii. Ms. Lofton recommends a committee budget charrette to help define a process and event industry vocabulary for 2022. Ms. Lofton offered to help assist with connecting to economic development entities to help ASM fill job postings.

B. Budgeting Discussion

i. Ms. Plageman discussed how DCC's budget will remain the same monthly. Although forecasting of planned vs. actual will represent changes in market performance. This is important to remember while coming out of a pandemic since there no historical data (previous year) for comparison. Ms. Patterson has concerns of how the pandemic might affect fall registrations of local sporting events.

ii. Ms. Patterson will work with Mr. Fraunfelter and Ms. Plageman to get budget on the books regarding operating income from the CVB's data. Currently banquets, meetings, and sports are accounting for the largest portions of DCC's events.

iii. Ms. Lofton would like to see a SWOT analysis or something alike outlining the input that drives numbers.

iv. Mr. Fraunfelter touched on how collecting lodging tax is a work in progress since this MCCFA tax is new to many hotels this year.

Motion: It was then moved by Mr. Whelley and seconded by Ms. Lofton and unanimously voted "to approve the 2021 DDC/ASM 2021 Financials as presented".

V. Financial Advisor Recommendations – Bond Counsel RFQ (Exhibit C)

A. Bond Counsel Proposals - Overview

i. Mr. Burns presented his findings regarding the 3 proposals that were received from the Bond Counsel RFQ. Three proposals were received by firms, Bricker & Eckler, Squire Patton Boggs and Frost Brown Todd. Ms. Plageman stated she had sent the

proposals to Mr. Reynolds and Mr. Whelley prior for their review. These firms are all very qualified and specialize in tax exempt bond work. Mr. Burns mentioned he would not recommend looking at fees only in this situation. Mr. Burns has worked with all 3 firms. One firm stands out due to their current work with the MCCFA and do have the most reasonable fees. It was recommended by Mr. Burns to award Bricker & Eckler Bond Counsel for the MCCFA. Mr. Whelley and Ms. Lofton joined the conversation about the term of the agreement. Mr. Burns stated that it would be acceptable to enter into an agreement for the first bond funding transaction and gauge the work and interaction of Bricker & Eckler.

Motion: It was then moved by Mr. Weckesser and seconded by Mr. Whelley and unanimously voted "to recommend Bricker & Eckler as Bond Counsel". This will also be approved by the full Board on 7/1/21.

VI. May Financials - CFA (Exhibit D)

A. Reconciliation and Hotel and Lodging Tax

i. Montgomery County Convention Facilities Authority, Reconciliation Summary Period Ending 5/31/2021 for Key Bank. There is a net change of (15k). This deficit is in relation to past due lodging tax. The online Forte payments collecting MCCFA's lodging tax currently account for roughly 30% of payments coming in. Ms. Plageman and Kelly Smith, prior Special Projects Manager, have been reaching out to the hotel general managers and accountants to help them understand how to correctly submit an online payment. No credit card payments are accepted, only e-checks. MCCFA is also working to outline delinquent payment plans. Next steps are to assess taxes on hotels who have yet to comply to the correspondence and notices sent from January 2021 – June 2021.

B. Refresh of Dayton Convention Center Lobby

i. Mr. Fraunfelter noted deferred maintenance is coming out of MCCFA's operating account. Event planners and local walk-ins are noting the lobby smells cleaner and the improvements are evident.

MOTION: It was then moved by Mr. Weckesser and seconded by Mr. Whelley and unanimously voted "to approve May Financials as presented".

VII. 2021 Budget Update (Exhibit E)

A. Budget Update

i. The CFA budget was matched to the DCC's 2021 budget. It was stated the budget will generate revenue based on event operations and Pepsi contribution of $15,000. DRMA will be leaving as a tenant soon and is reflected in the revised budget.

ii. Expenses increased as Jennifer Lukacs a Special Project Manager joined the team on June 7th.

iii. ASM's budget will now be itemized by showing actuals for monthly financial reporting.

iv. Mr. Fraunfelter noted general liability insurance cost was more than anticipated. The budget will be presented at the July 1 board meeting for budget approval.

v. Ms. Plageman updated committee on ASM's capital investment uses for lobby and refurbishment of the two passenger elevators. She has a recommendation for the board's July 1st meeting on awarding to most comprehensive contactor for a timely update.

MOTION: It was then moved by Ms. Lofton and seconded by Mr. Weckesser and unanimously voted "to approve the revised 2021 Budget as presented".

VIII. Procurement Policy (EXHIBIT F)

Ms. Plageman outlined the procurement policies mission, scope, purpose, and thresholds. It was noted a few exceptions would be defined as emergency situations such as HVAC and escalators. Ms. Plageman mentioned one of the two chillers (HVAC unit) is working well after being nonoperational since 2017. Air Force One is working on a quote for the controls replacement (brains) of the unit, which will be another large expense. Replacing the chillers is in the master plan, as they are both past their useful life.

Ms. Plageman presented a document that outlines government Cooperative Procurement with both Omnia Partners and Sourcewell. These government solicited and approved vendor are a source for the MCCFA and ensure compliance in procurement practices. Although national account pricing and quality is established, local Dayton MBE, SBE, WBE and Veteran owned businesses can participate by leading the design and project management. Procurement thresholds above $50,000 should go through an RFP process except for when using Cooperative Procurement methods. This joint purchasing authority allows for more flexibility. Ms. Lofton noted co-ops are great for goods or services, but don't necessarily apply to construction or design. Ms. Plageman stated there would be language added to the Procurement Policy regarding Cooperative Purchasing under "Exceptions" and will be presented to the full Board on July 1.

IX. Other items as determined by members

A. Ms. Plageman presented the competitive quotes for new lobby furniture. Elements IV Interior, local MBE, conducted a competitive bid process for lobby furniture replacements, utilizing Omnia Partners program to ensure government pricing and quality. The lobby layout from Elements includes modern furniture along with charging stations designed in the furniture. The layout and furniture selections are similar to other recognized convention centers and what meeting planners expect. Ms. Plageman presented the bid pricing and recommended the lowest bidder, manufacturer, SitOnIt.

B. Ms. Plageman presented the competitive quotes for elevator cab refurbishment at DCC. Oracle Elevator, the current service provider, did a competitive bid process for both passenger elevators. 2 Kentucky based and 1 national vendor provided proposals. Ms. Plageman recommended the vendor quote that would deliver the quality and timely service to get this important project completed.

MOTION: It was motioned by Mr. Weckesser and seconded by Mr. Whelley, to "recommend the described vendors for both projects as presented." Both approvals will go in front of the full Board on July 1.

MOTION: It was motioned by Mr. Whelley and seconded by Mr. Weckesser, and unanimously approved to adjourn regular session at 4:15 PM

CERTIFICATE

The undersigned Chair of the Finance and Budget Committee of the Montgomery County Convention Facilities Authority hereby certifies that the foregoing is a true copy of the minutes of the June 17, 2021, meeting of the Board of Directors of said Convention Facilities Authority, as approved by the Board on July 15, 2021.

Chair of the Finance and Budget Committee
Montgomery County Convention
Facilities Authority

MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Regular Meeting Minutes
August 19, 2021, 2:30 PM
Via Telephonic/Electronic Means

BOARD OF DIRECTORS – Finance Committee Meeting

PRESENT: Sean Fraunfelter, LaShea Lofton, Kevin Weckesser, Thomas Whelley

GUESTS: Pam Plageman, Executive Director, Kelli Donahoe, ASM, John Page, ASM,

I. Roll Call

Mr. Fraunfelter called the meeting to order at 2:30 PM and called the roll.

II. Approval of June Minutes

Mr. Fraunfelter apologized for not included in the minutes from June meeting the packet and asked to move them for approval to the September meeting

III. Audio/Visual Preferred Provided

Ms. Donahoe provided information on the RFP that was presented to six companies for audio visual services related to the DCC. Three firms responded to the RFP and ASM shortlisted two firm for in-person presentations. After reviewing the packages and a side by side comparison, Mills James was selected for several reasons including a capital investment of $579,000 in new equipment for the DCC. The contract would be approved by the full CFA board in September. Mr. Weckesser asked about any minimums related to the contract and Mr. Whelley wanted a little more detail on the capital investment. Both received answers to their questions. Ms. Lofton asked about insurance coverage for the equipment and Mr. Page replied the vendor would provide such coverage and name the DCC/CFA as insured.

Motion: It was then moved by Mr. Whelley and seconded by Mr. Weckesser and unanimously voted "to place the contract on the CFA September board meeting for approval".

IV. July Financials – DCC/ASM

A. Reports and Communication

i. Mr. Fraunfelter recapped the July Facility Statement of Income along with actuals and variance. The information also includes the ASM information for July.

iii. Mr. Fraunfelter discussed various line items where a proposed budget change would be presented in September. Ms. Lofton requested any budget items related to the pending bond issue be reporting in a separate "Capital Projects" fund.

V. Design Services Contract

i. Ms. Plageman presented the design services contract for LWC/LMN that will assist the CFA in the architectural redesign of the center. The payment structure is down to two tiers based on the capital outlay expenses after negotiating with the firm. There were no questions about the contract.

Motion: It was then moved by Ms. Lofton and seconded by Mr. Whelley and unanimously voted "to move forward with the contract with LWC/LMN". This will also be approved by the full Board on 9/2/21.

VI. Milliken/Titan Carpet Proposal

i. Ms. Plageman provided an update on the carpet that would be used in the lobby area. There were two illustrations provided to the committee that were previously provided and approved by the operations committee. The architect is aware of the proposal and is incorporating it into the design.

Motion: It was then moved by Ms. Lofton and seconded by Mr. Whelley and unanimously voted "to move forward with Milliken/Titan proposal". This will also be approved by the full Board on 9/3/21.

VII. Other Items – Skywalk Repair

i. Ms. Plageman updated the committee on the status of the skywalk. There have been repairs that temporarily helped stop the leaks. The CFA had some infrared scans completed by Garland on the main roof and requested quotes from several vendors to repair the skywalk permanently. Maxim was the lowest bidder and has done work for the CFA before. No questions on the proposal.

MOTION: It was then moved by Mr. Whelley and seconded by Ms. Lofton and unanimously voted "to move forward with the Maxim proposal for the skywalk repair". This will also be approved by the full Board on 9/2/21.

MOTION: It was motioned by Mr. Whelley and seconded by Mr. Weckesser, and unanimously approved to adjourn regular session at 3:30 PM

CERTIFICATE

The undersigned Chair of the Finance and Budget Committee of the Montgomery County Convention Facilities Authority hereby certifies that the foregoing is a true copy of the minutes of the August 19, 2021, meeting of the Board of Directors of said Convention Facilities Authority, as approved by the Board on September 16, 2021.

Chair of the Finance and Budget Committee
Montgomery County Convention
Facilities Authority