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MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Finance Committee Meeting

Thursday, May 23, 2024 | 10:00 – 11:00 a.m.
Via Electronic Means and In-Person, Dayton Convention Center,
Second Floor MCCFA Conf. Room, 22 E. Fifth St., Dayton, OH 45402

AGENDA

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|-------|---|-------------|
| I. | Roll Call – Call Meeting to Order | Action |
| II. | Review and Approve March 21, 2024 Meeting Minutes | Action |
| III. | State of Ohio Energy Efficiency Grant | Information |
| IV. | Review and Recommend Approval of Financials | |
| | A. ASM/DCC March 2024 Financials | Action |
| | B. CFA April 2024 Financials | Action |
| V. | Updated Five-Year Capital/Spend-Down Plan | Discussion |
| VI. | Other Business | Information |
| VII. | Next meeting: June 20, 2024, 3:00 – 4:00 p.m. | Information |
| VIII. | Adjournment | Action |

For Additional Information Contact tlemman@montgomerycountycfa.org | 937-535-5309



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MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Finance Committee Meeting Minutes

March 21, 2024 | 3:00 p.m.

Via Telephonic/Electronic Means and In-Person, MCCFA Conference Room,
Dayton Convention Center, 22 E. Fifth St., Dayton, OH 45402

COMMITTEE MEMBERS PRESENT: LaShea Lofton, Committee Chairperson; Tom Whelley

COMMITTEE MEMBERS ABSENT: Walter Reynolds (with notice)

STAFF: Shannon Martin, MCCFA Legal Counsel; Pam Plageman, MCCFA Executive Director/CEO; Sean Fraunfelter, Fiscal Officer; Teri Lemman, MCCFA Executive Assistant

I. Roll Call – Call Meeting to Order

Ms. Lofton called the meeting to order at 3:03 p.m., and Mr. Fraunfelter called the roll.

II. Approval of Minutes

The minutes of the February 15, 2024 meeting were presented and reviewed. Mr. Fraunfelter asked for questions or edits. Hearing none, a motion was requested.

MOTION: To approve the February 15, 2024 minutes as presented was made by Mr. Whelley, seconded by Ms. Lofton, and approved unanimously.

III. Review and Approve Recommended Revisions to MCCFA Resolution No. 2020-13 (Resolution Authorizing the Levy of an Excise Tax on Lodging Transactions and Adopting a Code of Regulations Relating to the Administration of Such Tax) and the MCCFA Hotel Lodging Tax Code of Regulations

Mr. Fraunfelter and Ms. Lemman presented proposed revisions to the MCCFA Resolution and Hotel Lodging Tax Code of Regulations. Ms. Martin provided explanations relating to the interpretation of eligible direct-bill to the federal government exemptions and assessments of penalties, fines, and interest. Ms. Lofton would like to share these recommended changes to the Code with the City, if approved by the Board of Directors. Mr. Whelley said we should undertake random audits of hotels if we are not auditing regularly.

MOTION: To recommend approval of the proposed revisions to MCCFA Resolution No. 2020-13 and MCCFA Hotel Lodging Tax Code of Regulations as presented was made by Mr. Whelley, seconded by Ms. Lofton, and approved unanimously.

IV. Review and Recommend Approval of Financials

A. ASM/DCC January 2024 Financials

Mr. Fraunfelter presented the financial highlights as follows: Attendance, event, and total income were higher. Operating expenses were lower. Positive \$32K against budget. Receivables at the end of December totaled \$475K, but they are now at \$215K due to ASM's efforts to collect receivables.

B. CFA February 2024 Financials

Mr. Fraunfelter said the lodging tax numbers are a little lower due to refunds sent to several hotels that made duplicate payments, in addition to a \$14K refund for 2021 exemptions. The net reduction is over \$41K to lodging taxes. Operating reserves and operating dollars, only down \$36K. However, if the refund section is removed, revenue would be slightly higher for the month.

Under the construction report, did not have much in construction expenses because the Messer payment was made in early-March. Need to begin spending the remaining \$22M from the first two bond issuances including interest revenue earned. \$5M issued in 2022 is not part of the arbitrage calculation due in August.

MOTION: A motion to accept and forward the financial reports for approval at the April 4, 2024 Board of Directors meeting was made by Mr. Whelley, seconded by Ms. Lofton, and approved unanimously.

V. Review and Recommend Approval of 2024 Budget Update

Mr. Fraunfelter presented amendments to the 2024 budget. The highlights include rental income from DRMA and interest revenue, and an additional \$125K added for legal expenses related to the prior hotel legal work and the new city plaza hotel development opportunity. The capital fund interest revenue YTD is already at budget. Ms. Plageman has a spending plan for the \$1.7M in interest income, and the debt service reserve account earned interest was also added in. Mr. Whelley and Ms. Lofton asked that the committee receive regular communication about accumulated legal expenses, such as generating an email each month. Ms. Plageman said the CFA can be reimbursed for its legal fees out of the \$1.5M contribution for soft costs when a deal is made. Mr. Fraunfelter committed to that communication.

MOTION: A motion to recommend approval of the 2024 Budget Update at the April 4, 2024 Board of Directors meeting was made by Mr. Whelley, seconded by Ms. Lofton, and approved unanimously.

VI. Review and Discuss Updated Five-Year Capital Plan

Ms. Plageman presented the most recent version of the five-year capital plan. A tab was added to track bond fund interest and draw-down requirements. The worksheet also shows what the Board has approved and what is being reserved, such as an upgraded security system, art, additional asphalt work, and a \$80K placeholder for furniture for the terrace and VIP suite. Ms.

Plageman said the negative \$91K amount is based on current estimates and could be covered with additional interest.

VII. Review and Recommend Approval of Budgeted Allocation for New Chairs

Ms. Plageman presented the APG Office Furnishings quote in the amount of \$299,864.10 to purchase 1,845 new chairs for the DCC. The Operations Committee approved the chair style. A \$316K allocation for chairs was previously approved in the construction budget. The center needs a total of 3,000 chairs, and this allocation will cover a little more than half. Many samples were reviewed, and APG, a local company, is part of the government procurement program. The old chairs will be sent to auction, and the purchase amount does not include any revenue that would be received through sale of the old chairs. Mr. Whelley asked if there is a way to secure a price for the additional approximately 1,200 chairs, even if they were purchased a couple years from now. Ms. Plageman said it is not an industry practice because prices change, but she will make the inquiry. In response to Ms. Lofton's question, Ms. Plageman said she inquired about how long the manufacturer will carry the style, and she was told it will not be discontinued.

MOTION: A motion to recommend approval of the quote to purchase new chairs in the amount of \$299,864.10 was made by Ms. Lofton, seconded by Mr. Whelley, and approved unanimously.

VIII. Other Business

No other business was presented.

IX. Next meeting: The next meeting of the Finance Committee is April 18, 2024, 3:00 – 4:00 p.m.

X. Adjournment

MOTION: It was moved by Ms. Lofton, seconded by Mr. Whelley, and unanimously voted to adjourn.

The meeting was adjourned at 3:59 p.m.

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 March 21, 2024 meeting of the MCCFA Finance Committee, as approved by the Finance Committee on May 23, 2024.



LaShea Lofton, Chairperson
Finance and Budget Committee
Montgomery County Convention Facilities Authority