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MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Finance Committee Meeting

Thursday, November 21, 2024 | 3:00 p.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 October 17, 2024 Minutes | Action |
| III. | Review and Recommend Approval of Financials | |
| | A. ASM/DCC September 2024 Financials | Action |
| | B. CFA October 2024 Financials | Action |
| IV. | Review and Approve Five-Year Budget Plan | Action |
| V. | Review and Approve Procurement Policy Revisions | Action |
| VI. | Authorize 2025 Finance Committee Meeting Schedule | Action |
| VII. | Other Business | Information |
| VIII. | Next meeting: December 19, 2024, 3:00 p.m. | Information |
| IX. | 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

Thursday, October 17, 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; Walter Reynolds;
Tom Whelley

COMMITTEE MEMBERS ABSENT: None

STAFF PRESENT: Sean Fraunfelter, MCCFA Fiscal Officer; Teri Lemman, MCCFA Executive
Assistant

STAFF ABSENT: Pam Plageman, MCCFA Executive Director/CEO

GUESTS: Michael King, General Manager, ASM Global/Dayton Convention Center; Joe Braden,
Deputy Director of Regional Liaisons, Ohio Auditor of State

I. Roll Call – Call Meeting to Order

Ms. Lofton called the meeting to order at 3:06 p.m. Mr. Fraunfelter called the roll.

II. Review and Approve August 23, 2024 Minutes

Ms. Lofton asked for comments or edits to the August 23, 2024 meeting minutes.
Hearing none, she called for a motion to approve them.

MOTION: It was moved by Mr. Whelley, seconded by Ms. Lofton, and
voted unanimously to approve the August 23, 2024 Finance Committee
meeting minutes.

III. Review and Recommend Approval of Financials

A. ASM/DCC August 2024 Financials

Mr. King presented the financial highlights as follows: Had a strong month in August; hosted 10 events. Direct income is slightly below budget. Ancillary service charge was higher due to a strong F&B spend from WCI/LCID. Total income went up by over \$120K in total event income. Operating expenses are slightly higher, mainly because of variable repair and maintenance expenses as well as some contracted security expenses. There were some adjustments to utilities, but overall expenses were managed where possible. Event income up by \$95K. Puts us in a good position toward the end of year, and he is trimming expenses to hit budget. Reynolds & Reynolds is scheduled for 12/6, and they are looking at booking in 2025. Getting new business every day. The current budget shows a shortfall of \$120K at year-end, and he estimates September-December financials will help close the gap. Mr. King has begun work on next year's budget, and it should be ready by mid-November. Mr. Fraunfelter said the projected 2025 budget will be ready for the November 21 Finance Committee meeting.

MOTION: A motion to accept and forward the ASM August 2024 financial report for approval at the November 7, 2024 Board of Directors meeting was made by Ms. Lofton, seconded by Mr. Whelley, and approved unanimously.

B. CFA September 2024 Financials

Mr. Fraunfelter presented the CFA's September 2024 financial highlights, as follows: Lodging tax revenue at YTD is about \$108K higher than last year at this time. If you take the F&B revenue, A/V, and event revenue, we are about \$9K under budget. ASM is doing an amazing job to book events during the construction. Under expenditures, they are normal. The August numbers were strong, and he was able to move \$89K into debt/operating reserves and \$36K into capital reserve. Between operating reserves and operating numbers, sitting at over \$2.2M.

For capital, we have earned interest of \$1.1M for the year; have earned \$2.5M in interest overall. There is an arbitrage threshold at the end of November and another payment to Messer and other expenses. There should be no problem hitting the arbitrage spending requirements.

For September expenses, we had two Messer payments. The debt service reserve is currently at \$580K, max is just over \$1.4M, we're about 41% of that number. For the arbitrage questions from the committee, the CFA doesn't have to have bond calculation/certification until five years after issuance of each bond issue, which will be done by Bricker Graydon, but other firms are able to do the calculation as well.

Mr. Whelley suggested we engage someone to review the arbitrage payments for compliance and report to the committee annually. After discussion, it was agreed that a review should be evaluated. Mr. Fraunfelter will check with Ms. Shannon Martin regarding the cost to perform the review and whether it can be completed before the end of November. He will report his findings to the committee.

MOTION: A motion to accept and forward the CFA September financial reports for approval at the November 7, 2024 Board of Directors meeting was made by Ms. Lofton, seconded by Mr. Reynolds, and approved unanimously.

IV. Review and Approve 2024 Budget Amendment

Mr. Fraunfelter presented the final 2024 budget amendment. The last lodging tax payment from the City of Dayton was received. The budget amendment reflects an increase in this number. Pepsi rebate check totaled \$5,355 and DRMA rent is included in the updated DCC lease amount. Sponsorships have not yet materialized. However, some sponsorships may be received during the five-year budget plan being prepared. Interest income has exceeded the budget and updated to reflect the anticipated amount. Received intergovernmental contributions for renovation of the flyover sculpture. ASM sold chairs and other items through GovDeals which accounts for the increase in other revenue. In Response to Ms. Lofton's question, the art project is an expense and will not generate sponsorship revenue. Under expenses, the legal expenses are higher because of Radisson legal costs, Key Ads agreement, and other tax-related issues. Insurance is up, repair and maintenance were reduced from the higher 2023 figures but probably just a little too much so this bring us into alignment with the expected spend. We are \$201K budget positive.

For capital, interest is about \$1.1M and with a couple investments that will mature and the remaining spend down, the budget was increased. In the capital plan, have earned interest of \$2.5M with another \$240K coming out of that line item in budget; the Trane project is also accounted for separately at \$2.9M. All of those amounts were just moved from the construction line with a slight increase for interest earnings. Mr. Fraunfelter does not anticipate spending another \$5M in the capital line as the project does not finish until 2025. Hotel plaza fund was not originally budgeted so these are new numbers along with the capital reserve fund

MOTION: It was moved by Mr. Whelley, seconded by Mr. Reynolds, and approved unanimously, to forward the 2024 budget amendment for approval at the November 7, 2024 Board of Directors meeting.

V. Other Business

A. November 21, 2024 Finance Committee Meeting

Mr. Fraunfelter intends to present the draft 2025 budget and updated procurement policy updates at the next meeting.

B. Presentation of Auditor of State GAAP Award of Excellence

Mr. Joe Braden, Regional Liaison for the Ohio Auditor of State, presented the annual excellence award to the MCCFA for a clean audit. Mr. Braden made special recognition of Mr. Fraunfelter's outstanding accounting skills and congratulated the staff and Board of Directors for compliance.

VI. Next Meeting

The next meeting of the Finance Committee is November 21, 2024, 3:00 – 4:00 p.m.

VII. Adjournment

MOTION: It was moved by Mr. Reynolds, seconded by Mr. Whelley, and unanimously approved to adjourn the meeting.

The meeting was adjourned at 3:45 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 October 17, 2024 meeting of the Finance Committee of said Convention Facilities Authority, as approved by the Finance Committee on November 21, 2024.



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