



**Durham Convention Center Authority Meeting**

Thursday June 23, 2022  
Telecom Meeting via Zoom

**DCC Authority Members Present:** *Pashara Black, Ashley Ferrett, Marian Dillahunt, Richard Ford, Lew Myers, Alice Sharpe and Joye Speight*

**Spectra Venue Management (SVM) Present:** *Rebecca Bolton, My Tran*

**City and County Representatives Present:** *David Ades, Drew Cummings, Tim Flora, April French, Carlos McCall, Trish Creta, Jina Propst, Fallon Thompson, Karmisha Wallace, and Shauneecie Wardick*

- I. No quorum for today’s meeting. Approval of April & June meeting minutes will happen at the August 25 meeting.

**II. DURHAM CITY/COUNTY ADMINISTRATION UPDATE:**

<u>Capital Budget FY 23</u>	<u>Budget</u>	<u>Expended</u>	<u>Projected</u>
Additional Fireproofing (Carryover FY 21)	\$239,413	\$131,354	\$239,413
Modernfold Wall Repair Project	\$68,612	\$7,220	\$68,612
Drain Line Replacement	-	\$2,020	\$2,020
Loading Dock Sprinkler Repair	-	\$6,400	\$6,400
Carpet Replacement	-	\$217,479	\$217,479
<b>Total</b>	<b>\$308,025</b>	<b>\$364,462</b>	<b>\$533,915</b>

<u>Capital Projects FY 23</u>	<u>Budget</u>	<u>Expended</u>	<u>Projected</u>
Back of House Project	\$218,203	-	\$218,203
Lobby HVAC	\$10,000	-	\$10,000
Main Water Pump	\$27,117	-	\$27,117
<b>Total</b>	<b>\$308,025</b>	<b>-</b>	<b>\$533,915</b>

**III. SPECTRA VENUE MANAGEMENT (SVM) UPDATE:**

Nine (9) events were hosted in March with 7,470 in attendance.

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FAV(UNFAV) VARIANCE</u>
<b>NO OF EVENTS</b>	9	22	(13)
<b>ATTENDANCE</b>	7,470	2,650	4,820
<b>DIRECT EVENT INCOME</b>	91,383	35,882	55,501
<b>ANCILLARY INCOME</b>	270,133	42,949	227,183
<b>TOTAL EVENT INCOME</b>	361,516	78,832	282,684
<b>OTHER INCOME</b>	6	417	(411)
<b>INDIRECT EXPENSES</b>	135,612	130,963	(4,649)
<b>NET INCOME (LOSS)</b>	225,910	(51,714)	277,624

**Durham Convention Center  
Rolling Forecast**

	ACTUAL	PROJECTED	TOTAL		
	JUL-MAR	APR-JUN	ACT/PROJ	ORIG BUDGET	VARIANCE \$
	2022	2022	FY 2022	6/30/22	FAV(UNFAV)
# OF EVENT DAYS	69	48	117	203	(86)
DIRECT EVENT INCOME GROSS	306,010	117,091	423,101	380,303	42,798
ANCILLARY INCOME GROSS	648,008	468,363	1,116,371	1,122,724	(6,353)
TOTAL EVENT INCOME GROSS	954,018	585,454	1,539,472	1,503,027	36,445
OTHER INCOME	3,849	32	3,881	5,000	(1,119)
SERVICE EXPENSE	102,279	55,033	157,312	130,473	(26,839)
ANCILLARY EXPENSE	232,765	210,763	443,528	492,277	48,749
TOTAL EVENT EXPENSE	335,044	265,796	600,840	622,750	21,910
EXECUTIVE	153,973	75,090	229,063	215,075	(13,988)
SALES/MARKETING	100,013	50,952	150,965	218,248	67,283
FINANCE	81,298	28,920	110,218	133,921	23,703
EVENTS	38,478	23,350	61,828	109,176	47,348
OPERATIONS	247,412	103,529	350,941	396,106	45,165
FOOD & BEVERAGE	61,817	58,376	120,193	186,497	66,304
OVERHEAD	230,759	86,350	317,109	333,400	16,291
TOTAL INDIRECT EXPENSES	913,750	426,567	1,340,317	1,592,423	252,106
<b>OPERATING NET INCOME (LOSS)</b>	<b>(290,927)</b>	<b>(106,877)</b>	<b>(397,804)</b>	<b>(707,146)</b>	<b>309,342</b>

## Durham Convention Center Fund Balance



**CITY OF DURHAM**  
**GENERAL SERVICES DEPARTMENT**  
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### DURHAM CONVENTION CENTER FUND For the Month Ended MARCH 31, 2022

	FY 2022 Budget	Year to Date Actual	FY 2022 Projected
<b>Fund Balance - Beginning</b>	\$ 348,060	\$ 348,060	\$ 348,060
<b>Net Income/(Loss) from Spectra Operations:</b>	<u>\$ (707,146)</u>	<u>\$ (283,363)</u>	<u>\$ (409,472)</u>
<b>Other Revenue:</b>			
Interest Income	\$ -	\$ (4,711)	\$ (4,711)
Air Lease	\$ 50,000	\$ 115,493	\$ 250,000
Owner Contribution-Durham County	\$ 458,000	\$ 343,500	\$ 458,000
Owner Contribution-City of Durham	\$ 458,000	\$ 458,000	\$ 458,000
Contribution-Other Agency	\$ -	\$ 250,000	\$ 250,000
<b>Total Other Revenue:</b>	<u>\$ 966,000</u>	<u>\$ 1,162,283</u>	<u>\$ 1,411,289</u>
<b>Other Expense:</b>			
Staff Salary & Benefits	\$ 39,567	\$ 23,080	\$ 39,567
Buildings	\$ 308,025	\$ 364,464	\$ 533,915
Performance Incentive	\$ 32,978	\$ -	\$ 32,978
Other	\$ 15,000	\$ 13,500	\$ 13,500
<b>Total Other Expense:</b>	<u>\$ 395,570</u>	<u>\$ 401,044</u>	<u>\$ 619,960</u>
<b>Net Income/(Loss):</b>	<u>\$ (136,716)</u>	<u>\$ 477,876</u>	<u>\$ 381,857</u>
<b>Fund Balance - Ending</b>	\$ 211,344	\$ 825,936	\$ 729,917

#### **IV. DURHAM CONVENTION CENTER AUTHORITY:**

Trish Creta presented the Capital budget projects and we have one punch list item left to complete then all the insurance work is finished. Moving into fiscal year 2023 the DCC has new funds for the Code Compliance and the Junior Ballroom work. The work should be approved by City Council by August 1, 2023. Rebecca Bolton presented the Spectra Venue Management report based on March 2022 financials but the updated figures will be sent to the board soon. The financials for April, May, and June are forecasted figured presented in this meeting. In March, the DCC had nine (9) events instead of the projected twenty-two (22). March revenue was \$361,516 with only \$78,832 budgeted. The year to date net loss is \$283,363 as of March 31, 2022. April and June projected income loss is \$106,877 with the total fiscal year projection at \$397,804. Rebecca Bolton presented the financial highlights to the board. In March, the DCC had \$560K in gross revenue which is the highest revenue of all time in a single month! The projected gross revenue for the fiscal year is \$1,550,000. Currently, the DCC is \$300,000 ahead of budget.

#### **NOTABLE EVENTS**

- Sirius Computer Solutions convention \$124,358
- Economic Development Partnership of NC convention \$118,963
- Star Dance Alliance special event \$62,061
- American Public Works Assoc. convention \$58,932
- Onstage New York special event \$34,364

Rebecca Bolton also discussed the deferred Capital projects. The hot water heater project is estimated to cost \$16,000, the security plan project \$60,000, and the new computers project is estimated to cost \$25,000. These projects were deferred because of the financial constraints brought on by the pandemic. Lew Myers acknowledged the importance of these projects and the board would be in support of approving them (if indeed board approval is required).

The DCC new employees were highlighted during the meeting. The DCC is happy to welcome My Tran, the Director of Finance, Ayana Dickens, the Sales Manager, Eduardo Polit, the Director of Food & Beverage, Veronica Mayo, the Administrative Assistant, Richard Booker, the Sous Chef, Genevieve Young, the Event Manager, and Nikki Russel, the Food & Beverage Supervisor.

#### **CURRENT OPEN POSITIONS**

- Sales Manager
- Event Manager
- Banquet Manager
- Banquet Captain
- Venue Operations Manager
- Event setup/ take down
- Kitchen & Culinary Steward
- Part-time Cook

The DPLEX committee members met last week to discuss wayfinding to highlight the brand and how it will tie into the overall design plan from the artist team. Durham County has found a replacement for Richard Ford. We will be able to announce that member once the County has approved their membership. Mayor O'Neal has yet to name her appointee to the board. Until that time, Lew Myers will remain a member. As of this meeting, the leniant attendance policy for Boards, Committees, and Commissions has not been unfurled.

**V. SUBCOMMITTEES**

▪ **FINANCE COMMITTEE:** *Marian Dillahunt*

PLEASE NOTE: *The details below in this summary are from the new Director of Finance, My Tran. She updated the financials for March, April, and May and the figures may be slightly different than what was presented at the actual meeting and in the Durham Convention Center Authority summary above.*

Nine events were hosted in March, grossing \$444,372. This resulted in an overall net gain of \$110,384, a \$162,098 positive variance to budget. YTD net loss stands at \$(398,890), a \$257,376 positive variance to budget. With gross revenue running at 95% of budget YTD, indirect expenses have been managed to only 74% of budget, allowing for the positive year to date variance. The rolling forecast projects ending the year with a net loss of \$(524,999), a \$182,147 positive variance to budget.

▪ **MARKETING & SALES COMMITTEE:** *Ashley Ferrell, Alice Sharpe and Joye Speight*

Spectra Venue (OVA) and members of the Marketing and Sales committee continue to collaborate on OVA's DCC marketing plan.