



Durham Convention Center Authority Meeting

Thursday October 27, 2022

On site meeting at Durham Convention Center 12:00

DCC Authority Members Present: ~~Pashara Black, Marian Dillahunt, Richard Ford,~~ Ari Medoff, Lew Myers, Alice Sharpe, ~~Joye Speight,~~ Nicole Thompson, and Ashley Varela

Spectra Venue Management (SVM) Present: Rebecca Bolton, My Tran, and Nick Hancock

City and County Representatives Present: ~~David Ades, Trish Creta,~~ Tim Flora, April French, ~~Carlos McCall,~~ Jina Propst, ~~Karmisha Wallace,~~ Shaunecie Wardick, and Darlene Dollar

- I. A quorum was established for August 25, 2022 meeting minute's approval. Lew Myers made the motion to approve the minutes for August 25 meeting; seconded by Ari Medoff, motion carried; minutes approved.
 - Ari had made an amendment to the August meeting minutes that he was not listed as present. I (Darlene) went back and checked, he was listed as new member present under the DCC Members.

II. DURHAM CITY/COUNTY ADMINISTRATION UPDATE:

Capital Budget FY23-Buildings:	<u>Budget</u>	<u>Expended</u>	<u>Projected</u>
Additional Fireproofing (carryover from FY22)	81,629	10,274	81,629
Back of House Project (Code Compliance requirements)	218,203		218,203
Lobby HVAC (Shared Allocations)	10,000		10,000
Loading Dock Drain (Share allocation)- <i>completed</i>	6,000		6,000
Dock can wash drain-emergency repair (shared allocation)- <i>completed</i>	5,659		5,659
Main Water Pump (Shared allocation)	27,117		27,117
Total	348,608	10,274	348,608

III. SPECTRUM VENUE MANAGEMENT (SVM) UPDATE:

	ACTUAL	BUDGET	FAV(UNFAV) VARIANCE
NO OF EVENTS	10	7	3
ATTENDANCE	2,222	450	1,772
DIRECT EVENT INCOME	52,977	15,073	37,903
ANCILLARY INCOME	107,327	22,803	84,524
TOTAL EVENT INCOME	160,303	37,876	122,427
OTHER INCOME	9	417	(408)
INDIRECT EXPENSES	201,164	198,990	(2,174)
NET INCOME (LOSS)	<u>(40,852)</u>	<u>(160,697)</u>	<u>119,845</u>

DURHAM CONVENTION CENTER FUND For the Month Ended July 31, 2022

	FY 2023 Budget	Year to Date Actual	FY 2023 Projected
Fund Balance - Beginning	\$ 774,684	\$ 774,684	\$ 774,684
Net Income/(Loss) from Spectra Operations:	\$ (848,675)	\$ (40,852)	\$ (848,675)
Other Revenue:			
Interest Income	\$ 3,011	\$ 732	\$ 3,011
Air Lease	170,000	2,500	170,000
Owner Contribution-Durham County	458,000	38,167	458,000
Owner Contribution-City of Durham	458,000	-	458,000
Total Other Revenue:	\$ 1,089,011	\$ 41,399	\$ 1,089,011
Other Expense:			
Staff Salary & Benefits	\$ 46,960	\$ -	\$ 46,960
Buildings	348,608	10,274	348,608
Performance Incentive	32,886	-	32,886
Other	15,000	-	15,000
Total Other Expense:	\$ 443,454	\$ 10,274	\$ 443,454
Net Income/(Loss):	\$ (203,118)	\$ (9,728)	\$ (203,118)
Fund Balance - Ending	\$ 571,566	\$ 764,957	\$ 571,566

Ten events were hosted in July, grossing \$238,679. This resulted in an overall net loss of (\$44,706), a \$119,845 positive variance to budget.

Notable events included:

Participate Learning	\$	133,618
Kayode-Omofoye Wedding Reception	\$	28,635
Participate Learning	\$	20,253
New Hope Area of NA (NHACNA)	\$	18,937

With gross revenue running at 429% of budget YTD, indirect expenses have been managed to only 108% of budget, allowing for the positive year to date variance.

IV. DURHAM CONVENTION CENTER AUTHORITY:

Alice mentioned how great it was to meet in person and wanted to go around the room for introductions. Also wanted to make sure everyone was receiving the emails from Darlene and everyone said they were. Thank you to Rebecca and DCC for hosting the meeting and lunch (the lunch was delicious and a special thank you to the Executive Chef and Sous Chef). Jina mentioned the City has approved a \$1000.00 training budget to all boards to spend as each board sees fit. Jina gave a couple of ideas such as a retreat to look at goals and objectives, or racial/equity training. Alice mentioned a mini-retreat to dive deeper into what makes the DCC tick or how the markets play a role. Jina mentioned that she is working Kara with “Discover Durham” to get an Impact Analysis report so that could be something to review during the retreat. Alice will send out some dates and ideas on how to spend the \$1000.00.

Rebecca went over the DCC financial information as of July 31, 2022. The November financial information should have by the January 2023 meeting. Rebecca mentioned that because of the DCC footprint they were able to host some last minute bookings that brought in \$238K such as Participate Learning which brings in teachers from other states, Hot Tub sales event which sold out, and New Hope (all of these are looking to book again for next year). Glaxo smith Klein also booked in September for a convention/seminar hopefully will become an annual event. Other financial variables since the pandemic that have increased are Labor expense is up 30% due to having to use a lot of temporary employees, and Food/Beverage cost are up 20% but DCC has budgeted 25%. Deferred Capital Projects are the Hot Water Heater at \$16,000.00, Security Plan at \$60,000.00-want to bring in an IT company that can advise what is needed to update and to see what a security plan looks like as well as 24/7 exterior access plus 1 security position for inside, and updated computers at \$25,000.00. Rebecca said an area of concern is the closer you get to downtown the higher the cost. DCC also handed out a Sales & Marketing Plan see attached (Alice encouraged all members to review).

IV. SUBCOMMITTEES

- **FINANCE COMMITTEE: Lew Myers**
the Finance Committee did not meet on 10/27/22 at 11:30 but are looking for members to join the committee.
- **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.