

**CHARLESTON COLISEUM & CONVENTION CENTER /
MUNICIPAL AUDITORIUM BOARD**

Meeting Minutes: April 28, 2020

Chairperson Carrie Fenwick called the Charleston Coliseum & Convention Center / Municipal Auditorium Board to order at 4:00 P.M. on Tuesday, April 28, 2020 by Zoom video / conference call. Those members in attendance included Tim Brady, Kim Burton, John Cavacini, Carrie Fenwick, Andrew Jordon, Bernie Layne, Belle Manjong, Sam Minardi, Ronnie Murad, Eric Nelson, Andy Richardson, Chad Robinson, City Manager Jonathan Storage, Tessa White, Interim General Manager Jim Smith, and Business Manager Betty Tinney. Other persons in attendance included Event Coordinators Joe Varney and Kelli Peters, Administrative Assistant Anna Westfall and Distinctive Gourmet General Manager Todd Tinney.

Ms. Fenwick reported that the minutes of the Board meeting held on March 31, 2020 were distributed prior to the meeting. Mr. Richardson moved that the minutes be approved as distributed. Mr. Murad seconded the motion. Motion approved.

Ms. Fenwick gave an update on the Executive Director search. She stated that the process has been put on hold until we are able to bring the applicants in for in-person interviews.

Ms. Fenwick gave an update on OVG. She stated that the contract with OVG was on hold for the time being, but they are eager to begin working with the CCCC. They are supposed to have an updated contract ready for our review this week and it will be brought to the board for approval at the next meeting.

Mr. Nelson gave a financial report. He stated that the March 2020 Municipal Auditorium Financial Statements reflect income of almost \$2,900 compared to \$8,200 last year. The March revenue is from two shows of Sesame Street Live and the American Choral Director's Rental. Last year we had two performance of Sesame Street Live, but we also hosted the Capital City Gospel Sing and received several deposits for upcoming events. Year to date income is \$34,400 lower than last year to date.

The Municipal Auditorium expenses for March totaled \$18,700, which is about \$5,000 lower than last March. Utilities was the main reason for the monthly decrease. Year to date expenses of \$174,000 are \$14,400 lower than last year to date. On a year to date basis, Utilities and M&R – Equipment are the main reasons for the decrease.

We were set to have a phenomenal fourth quarter with Aaron Lewis, Bert Kreisher, Baby Shark Live, and Chicago but all have been postponed to the Fall and Winter of 2020. Typically, spring is also very busy with dance recitals, dance competitions and the Kanawha and Putnam County graduations.

Operating revenues for the CCCC for March totaled \$415,847 compared to \$248,502 last year. Rent, Commissions, and Patron Services all reflect an increase. Last month it was noted that the differences in Rent and Patron Services was due to a timing difference in event receipts but now we are more in line. The large increase in Distinctive Gourmet accounts for the majority of the overall monthly increase. The Winter Jam and Jason Aldean Concerts played a big role in the increase in Distinctive Gourmet's revenue as well

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as proceeds from Monster Jam being significantly higher than last year. The decrease in Advertising is in the timing of the Blue Cross Blue Shield payment that was received last year in March but this year it was received in April. The decrease in Parking is from the cancellation of all events from March 13 forward.

The CCCC operating revenue increase in the month of March would have been greater if we had been able to complete the Girls Basketball Tournament since proceeds from it are included in last year's revenues. Year to date operating revenues are \$102,400 higher than last year to date with Distinctive Gourmet having the most significant increase.

Operating expenses for the CCCC for March are \$350,800, which is \$42,000 lower than last year to date. Medical and Life Insurance continues to be up on a monthly basis, but Salaries & Wages are down since after March 13 we did not require any ushers, ticket takers, box office sellers, or parking personnel. The cancellation of all events from that point in March is also the reason for the decrease in Contracted Services and Utilities. Year to date operating revenues are \$58,200 higher than last year to date with the Medical & Life Insurance line item continuing to have the most significant increase.

The Coliseum & Convention Center did not require an operational subsidy in March of 2019 or 2020. The total for the current fiscal year remains at \$318,000 compared to \$563,000 last year.

Mr. Storage moved to approve and file the March 2020 financial statements. Mr. Jordon seconded the motion. Motion approved.

Mr. Nelson went on to inform the board that a special COVID-19 Budget Committee had met on April 20 by phone to discuss the financial impact that the COVID-19 pandemic is having on the CCCC and to look closely at the subsidy expectations for now through June 30, 2020. At the meeting, Ms. Tinney presented a report outlining expected revenues and expenses (report was distributed to the board). She stated that our current accounts receivable has a total of \$175,396 – this is after taxes, Union and ATR. While we are not sure exactly when we will receive this, it should be collected by June. After having conversations with clients, she stated that we are expected to receive payments from Blue Cross Blue Shield for their sponsorship in the amount of \$27,500 and WVU Extension Services for the Small Farms Conference for \$40,064.

Ms. Tinney went on to show a report with the projected fixed expenses for the fourth quarter showing a total of approximately \$461,577. Mr. Murad asked if the CCCC was taking measures to reduce electric and water usage. Mr. Smith stated that the projected numbers for utilities were the minimum amounts on our contract and that we are using only the bare minimum to avoid any mold or mildew in the facilities. Mr. Smith explained that he spoke to an AEP representative and if we need to defer payment, we can do so for up to six months, but at the end of those six months the full amount for that time is due in full.

The estimated amount that the CCCC will be paying out in utilities and payroll is approximately \$321,896 and there is a remaining subsidy of \$539,000.

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Mr. Storage stated that he had been working with the insurance company to file a business interruption claim for the City. He explained that there is an estimated \$2m shortfall for by the end of June and another \$3.5m by the end of July for the City as a whole. The preliminary notification from the insurance company says that our claim has been denied, but more information has been sent to them in effort to get this claim approved.

Mr. Storage stated that we would need to look at the CCCC budget very closely to find ways to reduce expenses. Mr. Nelson stated that outside of salaries our utilities were already at the bare minimum per our contracts. Mr. Storage explained that discussions of furloughs have begun and that temporary staff reduction might be necessary going forward.

Mr. Smith gave an operations report. He stated that the staff was still working hard to reschedule events. He said that we were postponing far more than we were rescheduling, and most clients were allowing us to hold their deposit for their future date. The CCCC is still operating on a skeleton crew 9 am to 5 pm, only running the bare minimum utilities to control the environment and there has been no purchasing.

Mr. Smith stated that all high school graduations have been rescheduled to the end of June and our employees are working weekly with Kanawha County Schools to assist in their lunch distribution program. The new sport court and goals were delivered this week, also.

Our contract with American Tower was approved by our legal team and we are ready to sign. This contract will boost our cell phone signal in the facility when we are having mass gatherings, as this is a huge problem right now. The contract is a 15-year term and there is no cost to us. The CCCC will receive a one-time \$10,000 for each provider that participates (up to five) and \$750 each month with a 3% increase annually after the initial 36 months.

Ms. Manjong moved that Mr. Smith be allowed to move forward and enter into a contract with American Tower. Mr. Brady seconded the motion. Motion approved.

Next board meeting scheduled for May 26, 2020.

Meeting adjourned.