

**MINUTES OF THE
FINANCE & AUDIT COMMITTEE MEETING OF THE
CONVENTION CENTER AUTHORITY OF THE
METROPOLITAN GOVERNMENT OF NASHVILLE &
DAVIDSON COUNTY**

The Finance & Audit Committee Meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on February 22, 2016 at 2:08 p.m. in the Administrative Conference Room of the Administrative Office at the Music City Center, Nashville, Tennessee.

FINANCE & AUDIT COMMITTEE MEMBERS PRESENT: Irwin Fisher, Randy Goodman, Vonda McDaniel, and Luke Simons

FINANCE & AUDIT COMMITTEE MEMBERS NOT PRESENT: Willie McDonald

OTHERS PRESENT: Charles Robert Bone, Charles Starks, Heidi Runion, Elisa Putman, Mary Brette Clippard, Melissa Corban, and Nancy Amons

Committee Chair Luke Simons opened the meeting for business.

ACTION: Irwin Fisher moved for approval of the Finance & Audit Committee minutes of April 28, 2015. Randy Goodman seconded the motion, and the committee unanimously approved.

Charles Starks presented a proposed Capital Policy change to raise the purchasing threshold from \$5,000 to \$10,000 per item.

ACTION: Vonda McDaniel moved to recommend to the full Authority approval of an update to the Capital Policy for capitalization matters whereby the threshold of \$5,000 for qualification as a capital expense would be raised to \$10,000 per item. Randy Goodman seconded the motion, and the committee unanimously approved.

Charles Starks presented the proposed Music City Center Operating and Capital Budget for FY 2017, and the committee discussed. (Attachment #1)

ACTION: Randy Goodman moved to recommend to the full Authority approval of the 2017 Fiscal Year Operating and Capital Budget to fund the activities, operations, and

capital needs of the Music City Center. Irwin Fisher seconded the motion, and the committee unanimously approved.

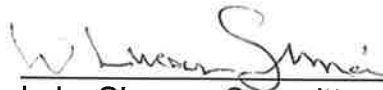
With no additional business and no objections, the Finance & Audit Committee of the CCA adjourned at 2:50 p.m.

Respectfully submitted,



Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Luke Simons, Committee Chair
CCA Finance & Audit Committee
Meeting Minutes of February 22, 2016



CONVENTION CENTER AUTHORITY
Finance & Audit Committee
February 22, 2016

Proposed Capital Policy Change

- In February of 2016, Metro changed its capital threshold from \$5,000 to \$10,000 per item
- We recommend that the Authority also adopt this new threshold



MUSIC CITY CENTER
Fiscal Year 2016-2017
Operating & Capital Budgets

MCC FY16 Business

- **FY 2016 Year-End Estimates**
 - 255 Events
 - 626,347 Attendees
 - 335,618 Room Nights
 - \$379,545,941 Economic Impact

MCC FY16 Business

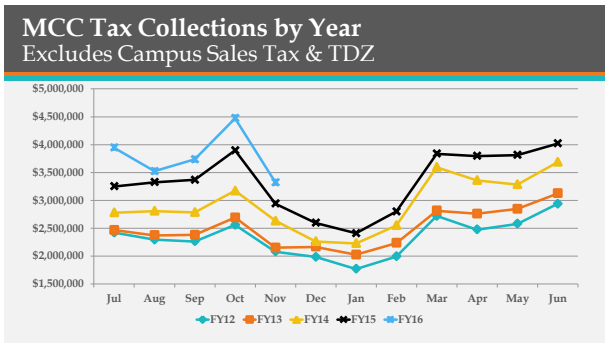
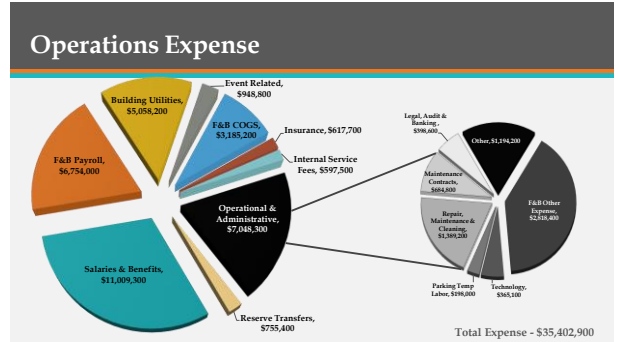
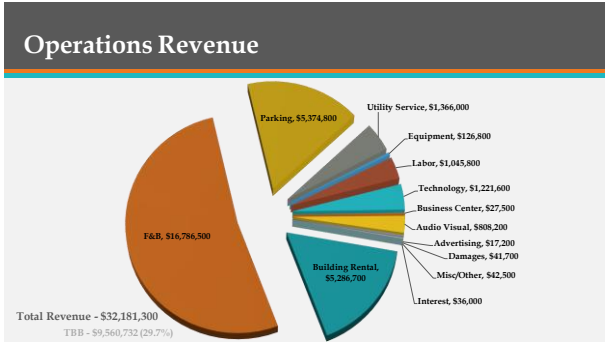
- **Events:**
 - Academy of Nutrition & Dietetics
 - Society of Women Engineers
 - DECA (Distributive Education Clubs of America)
 - International Car Wash
 - CMA Fest
 - NHL All Star Fan Event
- **Fiscal YTD we have hosted 32 local/non-profit events with over 25,968 attendees**
- **Tours: 36 with 615 attendees**

As of December 31, 2015

MCC Future Bookings

- **Events booked thru 2026:**
 - 266 events 1,621,084 attendees
 - 2,077,347 total room nights
 - \$1.57 Billion in Economic Impact
- **Future Bookings Include:**
 - PCMA – 2018 Convening Leaders
 - National Association of Music Merchants (annual)
 - Hearth, Patio, & Bar-B-Que Association (3)
 - National Rural Electric (3)
 - American Trucking Association (2)
 - Anheuser-Busch
 - America's Health Insurance Plans
 - Tractor Supply (annual)

As of January 31, 2016



Anticipated FY17 Capital Expenditures

4 LED Wall Displays in Main Concourse	\$ 350,000
Dell Compellent Storage Array	\$ 60,000
Physical Domain Controller & Replication Server	\$ 25,000
Host Liberator Carpet Extractors (2)	\$ 22,600
Cushman Cart	\$ 12,000
One Man Lift	\$ 14,000
Kawasaki Mules w/windshield, lights, & hard top (5)	\$ 50,000
Snow Removal Equipment	\$ 25,000
Additional Exhibitor Service Desk	\$ 11,000
Explore Renovation of Current & Potential for New F&B Location	\$ 250,000
Misc. Small Equipment	\$ 50,000
Total Proposed Capital	\$ 869,600

FY17 Total Revenue & Expenses

Anticipated Surplus - \$25,517,295

Operating Revenues	\$32,181,300
Hotel Taxes	\$41,826,300
Rental Car	\$1,530,600
Airport Departure	\$900,200
Campus Tax	\$17,398,300
TDZ	\$16,452,900
TOTAL REVENUE	\$110,289,600
Operating Expenses	\$35,402,900
MCC Bond Payment	\$38,340,085
Omni Hotel Payment	\$10,000,000
Bond Administrative Cost	\$159,720
Capital Expenses Anticipated	\$869,600
TOTAL EXPENSES	\$84,772,305

CONVENTION CENTER AUTHORITY

Finance & Audit Committee

February 22, 2016