

**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 November 19, 2020 at 10:00 a.m. – Virtual Zoom Meeting.

FINANCE & AUDIT COMMITTEE MEMBERS PRESENT: Robert Davidson, Norah Buikstra, Marty Dickens, Irwin Fisher and Barrett Hobbs

FINANCE & AUDIT COMMITTEE MEMBERS NOT PRESENT: Vonda McDaniel

OTHERS PRESENT: Charles Starks, Heidi Runion, Maryanne Morris, Charles Robert Bone, *David Hunt, *Katie Farris and Donna Gray

Committee Chair Robert Davidson opened the meeting at 10:00 a.m. for business and noted there was a quorum present.

ACTION: Appeal of Decisions from the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

The Finance & Audit Committee mourned the passing of David McMurry, he served as a Board Member from 2016 – 2020 and there was discussion.

ACTION: Irwin Fisher made a motion to approve the Finance & Audit Committee minutes of February 27, 2020. The motion was seconded by Barrett Hobbs and approved unanimously by the Authority.

Committee Chair Robert Davidson introduced David Hunt and Katie Farris, Auditors from Crosslin Certified Public Accountants.

Robert Davidson, David Hunt, Katie Farris, Charles Starks, Heidi Runion and Maryanne Morris presented the CCA Annual Audit Presentation from Crosslin (Attachment #1) and there was discussion.

ACTION: Robert Davidson made a motion that the Finance & Audit Committee recommends to the Authority the approval of the audit of the financial statements of the Convention Center Authority as of June 30, 2020. The motion was seconded by Norah Buikstra and approved unanimously by the Authority.

ACTION: Robert Davidson made a motion that the Finance & Audit Committee recommends to the Authority the approval of the audit of the Employees' Savings Trust of the Convention Center Authority as of December 31, 2019. The motion was seconded by Irwin Fisher and approved unanimously by the Authority.

*Denotes the departure of David Hunt and Katie Farris

Robert Davidson and Charles Starks provided information on the Executive Summary – COVID-19 Response and there was discussion.

The Finance & Audit Committee requested that a standalone general ledger and payroll system be researched, and the findings be reported at the next Finance and Audit Committee meeting.

The Finance & Audit Committee requested that a detailed monetary savings be included with the Executive Summary COVID-19 Response.


With no additional business and no objections, the Finance & Audit Committee of the CCA adjourned at 11:41 a.m.

Respectfully submitted,

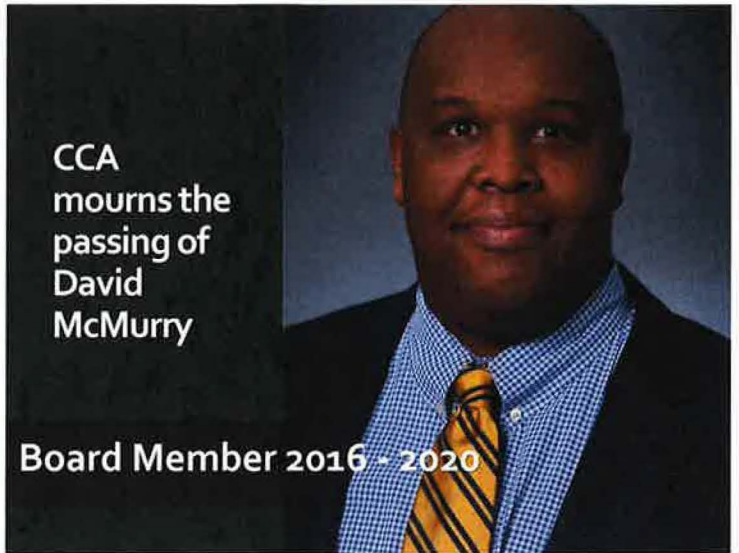


Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Robert Davidson, Committee Chair
CCA Finance & Audit Committee
Meeting Minutes of November 19, 2020



Appeal of Decisions

Appeal of Decisions from the Convention Center Authority – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

CCA Annual Audit Presentation from Crosslin



Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee

Audit Results for the Year Ended June 30, 2020



www.crosslinpc.com



November 19, 2020

Finance and Audit Committee Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee Nashville, Tennessee

Dear Committee Members:

We are pleased to present our report to the Finance and Audit Committee (the "Committee") of our audit of the Convention Center Authority (the "Authority"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee.

Our responsibilities as auditors of the Authority include making certain required communications to you in connection with the conclusion of our audits as well as discussing matters with you that may be of interest to the Committee. This communication and our discussion around it are intended to satisfy those responsibilities. However, at any time if you have additional questions or matters that you would like to discuss, we are available to discuss those with you.

The accompanying report on the results of our audits is intended solely for the use of the Committee, Authority Members and management and is not intended for any other purpose. Again, if you have any follow-up questions or concerns, please do not hesitate to call Erica Saeger (Concurring Principal) or me at 615-320-5500.

We would like to take this opportunity to express our appreciation for the assistance and courtesy extended to us by your employees during the audits. We appreciate working with you, and we look forward to a continued relationship with the Convention Center Authority.

Very truly yours,

David Hunt David Hunt Audit Principal

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Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee



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Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee



Required Communications

Professional standards require that we provide you with the following information related to the audit.

Reports on Financial Statements

We have audited the financial statements of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson, Tennessee (the "Authority"), as of and for the year ended June 30, 2020. Our audit results in the issuance of two opinions with respect to the Authority: (1) a standard Independent Auditor's Report pursuant to U.S. generally accepted auditing standards and Government Auditing Standards; and (2) an Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards.

With respect to the first Auditor's Report, we have issued an unmodified report relating to the Authority dated October 30, 2020.

With respect to the second Auditor's Report on internal control over financial reporting and compliance, we issued a report dated October 30, 2020 that noted we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We have also audited the financial statements of the Convention Center Authority Employees' Savings Trust for the year ended December 31, 2019 and issued our Auditor's Report dated October 13, 2020 in which we disclaimed an opinion.

**Our Responsibility under U.S. Generally Accepted Auditing Standards
and Government Auditing Standards**

Our responsibility, as described by professional standards, is to express an opinion about whether the financial statements defined above are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities for these financial statements.

As required by generally accepted auditing standards and *Government Auditing Standards*, in planning and performing our audits, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion regarding the effectiveness of internal control. However, in accordance with *Government Auditing Standards*, we do report on our consideration of internal control and any findings we might have encountered in performing our audit, the purpose of which was not to express an opinion on internal control. However, because of the limitations on our audit with respect to internal control, significant deficiencies or material weaknesses could exist that have not been identified.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits.

Engagement Personnel

David Hunt	Lead Principal
Erica Saeger	Concurring Principal
Katie Farris	Manager
Meg Rechner	Senior
John Nunley	Staff
Gina Inkum	Director - Hoskins & Company, P.C. (DBE partner)
Kim Thomason	Principal - Thomason Financial Resources (DBE partner)

Planned Scope and Timing of the Audits

We performed the audits according to the planned scope and timing previously communicated during our planning procedures.

**Management Judgments and Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were management's estimates regarding the useful lives of capital assets, the collectibility of receivables, and the assumptions used in determining the net pension liability. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole, and believe them to be reasonable. Furthermore, the disclosures in the financial statements are consistent and are considered adequate.

Audit Adjustments

Our audits of the financial statements were designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. For purposes of this communication, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Authority's financial reporting process (that is, could cause future financial statements to be materially misstated). For fiscal year 2020, there were no adjustments identified which individually or in the aggregate had a significant effect on the Authority's financial reporting.

Alternative Accounting Treatments

There were no discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices related to material items including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies impacting the year ended June 30, 2020.

**Areas of Audit Emphasis**

Our areas of audit emphasis were consistent with what was communicated to you in relation to planning the audits, and included:

- Cash and cash equivalents
- Receivables from primary government, customer accounts receivable; and related bad debt allowances
- Capital assets and related depreciation
- Accounts payable and accrued expenses
- Unearned revenue
- Long-term debt and related accrued interest
- Compliance with state laws and regulations
- Classification of net position
- Charges for services
- Operating expenses
- Tourism tax revenue and other non-operating income
- Interest expense
- Financial statement disclosures

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note A to the financial statements. We noted no matters that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. Based on our review, we believe that the Authority's significant accounting policies are reasonable and comprehensive.

**Disagreements with Management**

For purposes of this communication, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's reports. No such disagreements arose during the course of our audits.

Management Consultations with Other Independent Accountants

In some cases, management may consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion." If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Items Discussed Prior to Retention of Independent Auditors

Our selection as auditors for the Authority was not conditioned on any position or any issues discussed with management prior to our selection.

Fraud and Illegal Acts

We did not identify any fraudulent or illegal acts during the course of our audits, and neither were we advised by management regarding fraudulent events or transactions for the year ended June 30, 2020.

Difficulties Encountered During the Audit

We encountered no significant difficulties in performing our audits.



Independence

Our professional standards require that we communicate at least annually with you regarding all relationships between Crosslin, PLLC and the Authority that, in our professional judgment, may reasonably be thought to bear on our independence. As you aware, we are the principal auditors for the Metro Government audit, of which the Authority is a component unit. This relationship also requires that we maintain independence, and therefore has no negative impact on our independence with respect to the Authority.

We hereby confirm that we are independent accountants with respect to the Authority within the requirements of the American Institute of Certified Public Accountants and *Government Auditing Standards*.

Other Material Written Communications

Included as Appendix A is the management letter for Authority management and the Finance and Audit Committee to consider.

Included as Appendix B is the management representation letter, which Authority management has executed as part of our audit process.

Changes in Auditing and Accounting Standards

The government and standard-setting bodies are issuing guidance at an unprecedented pace. Crosslin, PLLC is constantly receiving, reviewing, and searching for the latest authoritative literature, in part through its involvement with the AICPA's Government Audit Quality Center and the Government Finance Officers Association ("GFOA"). We routinely interface with our customers to ensure proper understanding and application of pronouncements, standards, interpretations, and addenda that arise. In addition, we will join Authority management in relevant discussions to implement all new standards as they arise.

- **GASB Statement No. 87, Leases**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- **GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

October 30, 2020

The Audit Committee
Convention Center Authority of the Metropolitan
Government of Nashville and Davidson County, Tennessee

In planning and performing our audit of the financial statements of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee (the Authority), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee, as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated October 30, 2020 on the financial statements of the Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows:

General Ledger Maintenance

Although transactions are initiated and managed by the Authority, a significant portion of the Authority's accounting functions are performed by the Finance Department of the Metropolitan Government of Nashville and Davidson County (Metro) under an interlocal agreement to provide these services. These functions include maintenance of the general ledger, processing of disbursements to vendors, and processing payroll. We noted that maintenance of the general ledger and the posting of entries to significant accounts is not currently being performed by the Metro Finance Department within a time frame to allow the Authority's management and Board



Changes in Auditing and Accounting Standards (continued)

- **GASB Statement No. 90, Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.
- **GASB Statement No. 91, Conduit Debt Obligations**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.
- **GASB Statement No. 92, Omnibus 2020**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- **GASB Statement No. 93, Replacement of Interbank Offered Rates**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- **GASB Statement No. 94, Public-Private and Public-Public, Partnership and Availability Payment Arrangements**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.
- **GASB Statement No. 96, Subscription - Based Information Technology Arrangements**
Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.



to receive timely comprehensive financial information. Timely maintenance of the general ledger on a monthly basis is essential to providing the Authority with the financial information necessary to allow management and the Board to better evaluate the financial position, results of operations, and cash flows of the Authority in order to make well informed business decisions. We recommend that the Authority discuss with the Metro Finance Department avenues to maintain the general ledger on a timely basis, which may include providing the Authority's accounting personnel more access to Metro's R-12 ERP system. Consideration could also be given to the Authority implementing and utilizing a standalone general ledger system, with the Metro Finance Department still providing certain accounting functions. Obviously, the cost of a system, the effect on segregation of duties and internal control, and the possibility of having to add Authority accounting personnel, would need to be evaluated as part of this consideration.

Financial Reporting

In reviewing the Board minutes during the audit, we noted that the Board was provided with certain financial analytical data and quarterly summarized revenue and expenditures information. We recommend that in addition to this information, more robust and detailed financial information be made available to the Board members, specifically to the Finance and Audit Committee members, on a monthly basis. This could be in the form of financial statements which include a statement of financial position and cash flow statement, or possibly making available the detailed trial balance. Currently, this information may not be available due largely to the issues noted in the preceding observation and recommendation. However, we believe this additional financial information provided timely on a monthly basis will assist management, the Finance and Audit Committee, and the Board in evaluating and making well informed business decisions.

We will be happy to discuss the details of these recommendations with you and assist in any way possible with their implementation.

This communication is intended solely for the information and use of management, the Board, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Crosslin, PLLC

Crosslin, PLLC
Nashville, Tennessee



October 30, 2020

Crosslin, PLLC
The Astoria
3803 Bedford Avenue, Suite 103
Nashville, Tennessee 37215

This representation letter is provided in connection with your audit of the financial statements of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County, Tennessee ("CCA"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee, which comprise the statement of net position as of June 30, 2020, and the statement of revenues, expenses and changes in net position and statement of cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audits.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, dated May 30, 2020, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all financial information of CCA required by generally accepted accounting principles to be included in the financial reporting entity.

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- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the entity's accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which CCA is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 1) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, minutes, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

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Convention Center Authority Finance & Audit Committee

- d) Minutes of the meetings of CCA or summaries of actions of recent meetings for which minutes have not yet been prepared.

11/19/20

Attachment #1

- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - 1) Management,
 - 2) Employees who have significant roles in internal control, or
 - 3) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- 19) We confirm that there are no subsequent events that have occurred that would require adjustment to the financial statements or disclosures thereto except as discussed in Notes I and L of the financial statements.

Government—specific

- 20) We have made available to you all financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.

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- 21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 23) CCA has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred inflows or outflows or net position.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 25) There has been no instances of fraud or noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, or any other instances that warrant the attention of those charged with governance.
- 26) There have been no instances of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 27) There has been no instances of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) As part of your audit, you assisted with preparation of the financial statements. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 30) CCA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

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- 31) CCA has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 33) CCA has no joint ventures with an equity interest.
- 34) The financial statements properly classify all funds and activities.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) amounts are properly classified and, if applicable, approved.
- 36) Investments and derivative instruments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of revenue, expenses, and changes in net position, and allocations have been made on a reasonable basis.
- 39) Revenues are appropriately classified in the statement of revenues, expenses, and changes in net position, within operating and nonoperating revenues.
- 40) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 41) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including intangible assets, are properly capitalized, reported, and, if applicable, depreciated. Additionally, capital assets, including intangible assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
- 43) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is presented within prescribed guidelines. We have disclosed to you any significant assumptions and interpretations underlying the presentation of the RSI.

CONVENTION CENTER AUTHORITY OF
THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY, TENNESSEE


Heidi Runlon
Director of Finance & Administration


Mary Anne Morris
Finance Manager

Executive Summary – COVID-19 Response

Labor Reductions

- Hiring freeze in effect for all departments
- Merit Increases and bonuses suspended for all team members
- Compensation Study Adjustments suspended
- President and CEO salary reduction of 10% started in March
- Total position reduction of 16.7% since March

Operational Expense Reductions

- Non-essential spending frozen
 - All requisitions are evaluated by the COO or CEO for necessity prior to issuing
- Majority of service contracts are related to life-safety functions and not eligible for elimi
- Mandatory 5-day vacations for Christmas week to minimize vacation liability

Capital Reductions

- Majority of FY21 Capital Projects suspended

