

GREATER RICHMOND CONVENTION CENTER AUTHORITY
MEETING
May 19, 2023
Greater Richmond Convention Center
Administrative Offices
401 N. 3rd Street, Richmond, VA 23219
10:00 a.m.

Mr. Lincoln Saunders, Chairman, called the Greater Richmond Convention Center Authority Annual Meeting to order at 10:02 a.m. A quorum was present.

APPROVAL OF MINUTES

The Authority reviewed the minutes from the March 17 meeting. A motion was made by Mr. John Budesky, which motion was seconded by Dr. Joe Casey. **The Board approved the motion by the following vote:**

Ayes:	Budesky, Casey, Saunders, Thomas, Vithoukas
Nays:	None
Absent:	None

REPORTS OF COMMITTEES

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported on the lodging tax collections for FY23. The first ten months hotel tax remittances exceeded budget by \$5,636,175 or 24.0% and were greater than prior year's collections by \$4,043,075 or 16.1%. Jurisdiction results compared to prior year collections are as follows: Chesterfield 8.9%, Hanover 3.6%, Henrico 11.4% and Richmond 32.5%. Mr. Hinton also reported that for June, Henrico had the highest collections ever in one month and it was the highest in the region overall.

Fitch has completed their internal review and did not make any changes to the current "AA-" rating on the Authority's Series 2015 Bonds or the Rating Outlook of Stable. Fitch held an internal review with its rating committee and did not publish a report. Current ratings by the Rating Agencies: Fitch "AA-" stable outlook, Moody's "Aa3", S&P – "AA-" stable outlook.

Legal

Mr. Brennen Keene, legal counsel, stated that he has no report but that there would be a closed session at the end of the agenda.

OVG360

Mr. Michael Meyers, General Manager, reported on the sales tax audit and noted that information has been received from the Commonwealth of Virginia that brought the assessment down by several thousand dollars. There still appears to be a discrepancy in the figures and staff continues to work on the issue. Mr. Meyers briefed the Authority on plans to explore a federal grant to create a vehicle charging station along the serpentine wall area behind the loading dock along 3rd Street. The federal grant would pay up to 80% of the project if awarded. Staff will research the concept with a goal to submit a grant by May 2024. Building activity for March was reviewed. 16 events were held vs. a budget of 19. Attendance was up over 23,000. Revenue vs. expenses were up for the month. For April, revenue was down \$98,000 and expenses were under budget. For the month a positive variance over \$18,000 for the month was realized and for end of year, Mr. Meyers reported \$1.2 million under budget for the fiscal year. National Genealogical Society and Virginia Home Educators will be in the building.

Aramark

Mr. Blaine Scalard, General Manager for Aramark, reported on activity for March, being the busiest in over five years. Food and beverage sales were \$497,000, which is \$90,000 ahead of budget for the month. Many repeat groups such as Field Hockey, annual Boy Scout dinner, a dance group and Galaxy Con. Attendance was up 25% and sales at concessions was \$240,000. Profit for the month of March was \$113,000. For April, sales were \$274,000, which was \$87,000 above budget. Groups were Cheer & Dance, a democrat political group, Jurassic Quest and a scholarship dinner from VUU. Cost of sales for the month was down 6.7% and payroll was also down 7.5%, with profit for the month at \$67,000. For the year, sales are up \$500,000 and profit is up \$23,000. Staffing was a struggle in the early part of the fiscal year, but Mr. Scalard reporting being fully staffed with new managers in place.

Richmond Region Tourism

Chairman Saunders thanked Richmond Region Tourism for hosting the event at the Kansas City Royals during the InterCity Visit to Kansas in May.

Mr. Jack Berry, President & CEO, reported that the REVPAR for March was the largest in the history of the region. Ms. Katherine O'Donnell, Executive Vice President, updated the Authority on the Tourism Improvement District and noted that all localities have voted except the City of Richmond and Colonial Heights. Collections will begin July 1st and the Richmond Region Tourism Board of Directors has established the TID Governance Policy and Committee. The new committee will go through orientation on June 7th and the hotels will be invited to a webinar regarding the tax collection process on June 6th. The City is expected to vote in June and Colonial Heights will vote this fall when Nick Patel opens his hotel that is still under construction. The Authority congratulated Richmond Region Tourism and Katherine O'Donnell for coordinating the Tourism Improvement District and getting the project accomplished in record time.

Mr. Berry played the Inspiration Campaign 60 second video that will launch June 1st.

NEW BUSINESS

Proposed Operating Budget Presentation for FY24

Ms. Debbie Baicy reviewed the highlights from the FY24 budget:

- Hotel receipts are increasing 11.9% from FY23
- Total operating revenues are increasing by \$267,403 or 4.2% compared to FY23 budget
- Total operating expenses are increasing by \$835,371 or 8.7% compared to FY23 budget
- Total Revenues for FY24: \$33,324,827
- Total Expenses for FY24: \$31,666,265
- Hotel tax remittances are projected for FY23 at: \$33,666,843
- Hotel tax remittances budgeted for FY24 are: \$32,120,000
- Operating Revenues for OG360 FY24: \$3,637,018 and Expenses at: \$7,544,660
- Operating Revenues for Aramark FY24: \$3,284,069 and Expenses at: \$2,853,137

Ms. Baicy reported on the transfer of hotel tax and the renewal and replacement account balances. Mr. John Vitoulkas inquired about the amount owed on the facility and Dr. Casey asked about

capital contributions. A motion was made by Mr. John Vithoukaskas and seconded by Mr. John Budesky to approve the FY24 budget. **The Board approved the motion by the following vote:**

Ayes: Budesky, Casey, Saunders, Thomas, Vithoukaskas
Nays: None
Absent: None

CLOSED SESSION
GREATER RICHMOND CONVENTION CENTER AUTHORITY
General Meeting
19 May 2023

Pursuant to Sections 2.2-3711(A)(3), (5), (6), and (7) and Section 2.2-3712 of The Virginia Freedom of Information Act (Code of Virginia Section 2.2-3700 et. seq.), I move that the Board go into closed session to consult with legal counsel and staff for the following purposes:

- (1) Consultation with legal counsel and staff regarding the possible acquisition or disposition of real property;
- (2) Consultation with legal counsel and staff regarding a prospective business or industry;
- (3) Consultation with legal counsel and staff regarding the potential investment of public funds where competition or bargaining may be involved; and
- (4) Consultation with legal counsel and staff regarding actual or probable litigation.

Motion -- Nancy C. Thomas
Second – John A. Budesky

Vote:

	Ayes	Nays
John A. Budesky	X	
Joseph P. Casey	X	
Lincoln Saunders	X	
Nancy C. Thomas	X	
John A. Vithoukaskas	X	

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Commissioners (the “Board”) for the Greater Richmond Convention Center Authority (the “Authority”) convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed, or considered by the Authority.

The following roll call vote was taken:

Vote:

	Ayes	Nays
John A. Budesky	X	
Joseph P. Casey	X	
Lincoln Saunders	X	
Nancy C. Thomas	X	
John A. Vithoulkas	X	

Absent during session: None

NEW BUSINESS

There being no further business to discuss, the meeting adjourned at 11:00 a.m. The next meeting will be held on Friday, July 21, 2023 at 10:00 a.m.