

**FRIDAY, FEBRUARY 9, 2024, 11:30 AM
MANCHESTER-COFFEE COUNTY CONFERENCE CENTER**

ATTENDEES

Members

Megan Jackson
Zach Lowry
Jake Shelton
Holly Jones
David Bradley

Office

Chairman
Vice Chairman
Secretary/Treasurer
Public Relationship Officer

Guests

Rebecca French
Oslin Gulick

5 members /2 guests

CALL TO ORDER

The February 9, 2024, regular meeting of the Public Building Authority of the City of Manchester, Tennessee was called to order at 11:30 AM by Megan Jackson, Chairman, presiding. Minutes were recorded by Oslin Gulick from recording.

APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

- **Jake Shelton moved to approve the January 2024 meeting minutes as presented.**
Holly Jones seconded the motion. With no further discussion, the minutes were approved.

CITIZEN COMMENTS

- None made.

REPORTS

Treasurer's Report: J. Shelton

- All accounts remain stable as they have been over the past several months.
- \$117,397.07 in depreciation account. Earning \$23.65 in interest.
- Total cash on hand is \$131, 259.43.

Conference Center Report: R. French

- GM Report is attached to the minutes.
- P&L was provided.
- The heavy snow in January resulted in one reschedule. Four events were scheduled over that weekend.
- Chairman Megan Jackson has met with local officials both at MCCCC and offsite to discuss MCCCC funding.
- Mrs. French went to Hospitality Day on the Hill and talked with elected officials about the upcoming Occupancy Tax bill, that is a follow up from the 2021 bill. She sat with eight State Representatives including Rush Bricken and Janice Bowling. The impact information for tourism is included in the attached slides.
- MCCCC sponsored tables at the American Bus Association breakfast. Nashville won the 2024 bid and was held at the Music City Center. It will be held in Philadelphia next year.

Minutes of the February 9, 2024, Meeting of the PBA

(continued)

2 of 14

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- Tennessee State Guard was here during the Saturday of the snow. Due to the weather, someone that had items for their program couldn't make it. Sheila Carter, MCCCC Event Planner, went above and beyond to source the items needed for the program. The State Guard called and recognized her for all her work.
 - Project drawings from OLG would be over the threshold. The suggested reaching back out to the original engineering firm to see if it would be less expensive.
 - Major repairs will start taking place in March and April that can be done in house.
 - Chairman Jackson created a slide deck when talking with elected officials. They are included in the attachments.
 - Nationally conference center models span from 50%- 200% expense cost. MCCCC asks for about 40%, which is below the national average.
 - Discussion has included the budget amendment that is expected for the FY 23-24 budget.
 - Some feedback included wanting to see more MCCCC hosted public events.

Comments from Board

- Mr. Shelton had website change suggestions for updated/MCCCC pictures.
- Mr. Lowry asked about seasonal menu options as part of a marketing plan.

OLD BUSINESS

None to address.

NEW BUSINESS

Absenteeism: Chairman Lowry

- **David Bradley moved to approve the absences of Ken Huddleston and Tiffany Hillsman.** Holly Jones seconded the motion. With no further discussion, the motion passed.

FY 24-25 Work Session

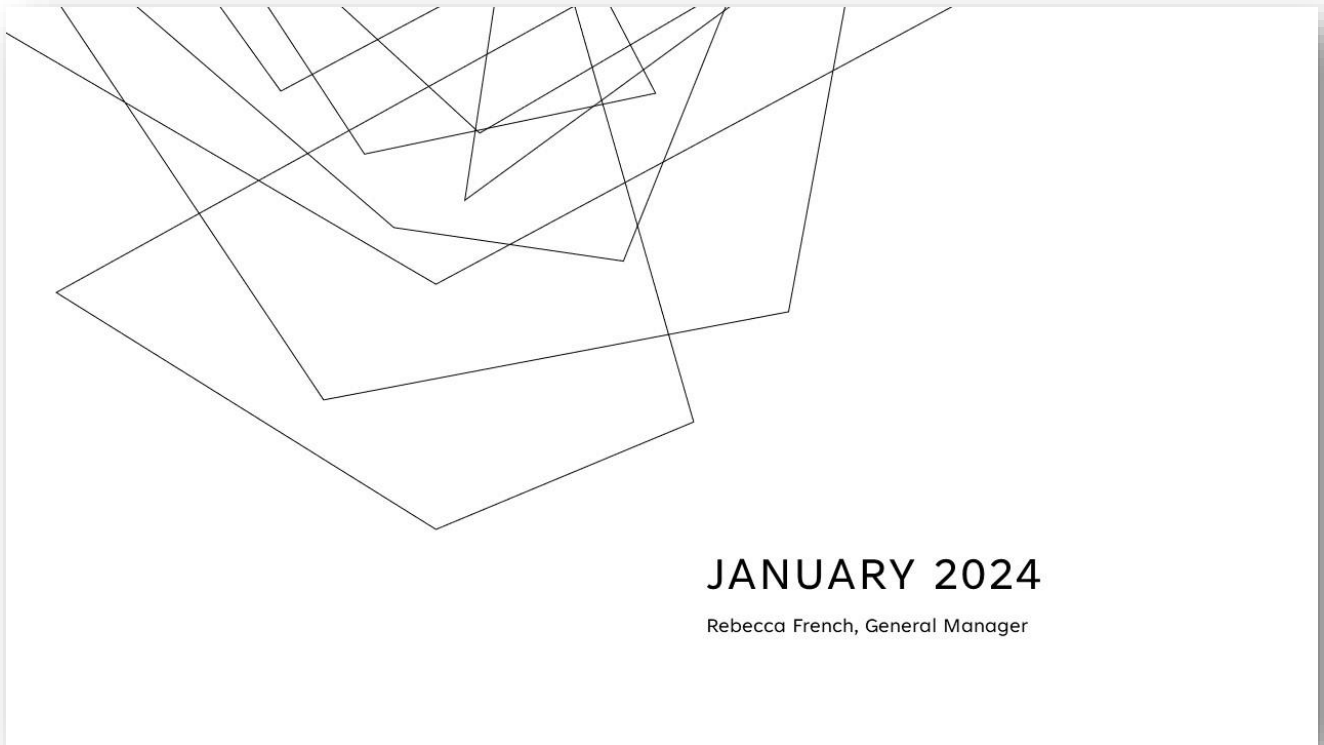
- Monday, February 26, 2025, at 5:00pm MCCCC.

ADJOURN

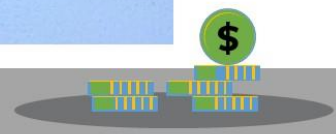
- Chairman Jackson adjourned the meeting at 12:09 pm.

Signed, Megan Jackson, Chairman

Minutes completed and typed by Oslin Gulick March 12, 2024.



Snowapocalypse the building was everyday but Tuesday. Only one event of the four for the weekend moved to a new date. Snow removal was expensive.



Hosted more events.



Megan began working with elected officials about the current budget. She has met people at the Center and offsite. I have been included if necessary.



A thriving restaurant industry benefits the entire Tennessee economy.

- EVERY ADDITIONAL DOLLAR SPENT IN TENNESSEE'S RESTAURANTS CONTRIBUTES \$2.24 TO THE STATE ECONOMY.
- EVERY ADDITIONAL \$1 MILLION SPENT IN TENNESSEE'S RESTAURANTS GENERATES 16.8 JOBS IN THE STATE ECONOMY.





ABA bus tours was incredibly insightful.



Tennessee State Guard-Sheila Carter

Hospitality Day on the Hill- educated representatives on the new bill working its way through legislation right now, a follow up from a 2021 bill about tourism funding. I met with eight people on my own during my visit.

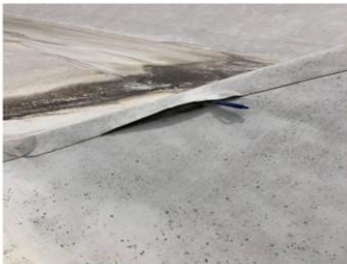


Hosted Manchester Chamber Banquet



Project for building drawings initiated. Initial estimate will be over the threshold and will require bidding out for specs or go back to the original architect from inception.

Upcoming Building Repairs



SEAMS OPENING

- Recessed Lighting
- Carpet
- Roof
- Ceiling
- Wall Crack





- Professional Event Management
- Spacious Ballroom
- Fully Integrated Executive Board Rooms
- Outdoor Event Space

January Monthly Performance Review
22 – Event Days
2120 – People attended events
280 – Hotel Rooms
(in conjunction to convention center events)



To learn more about the conference center visit www.mccc.com



Budget Update and Discussion

2/9/2024

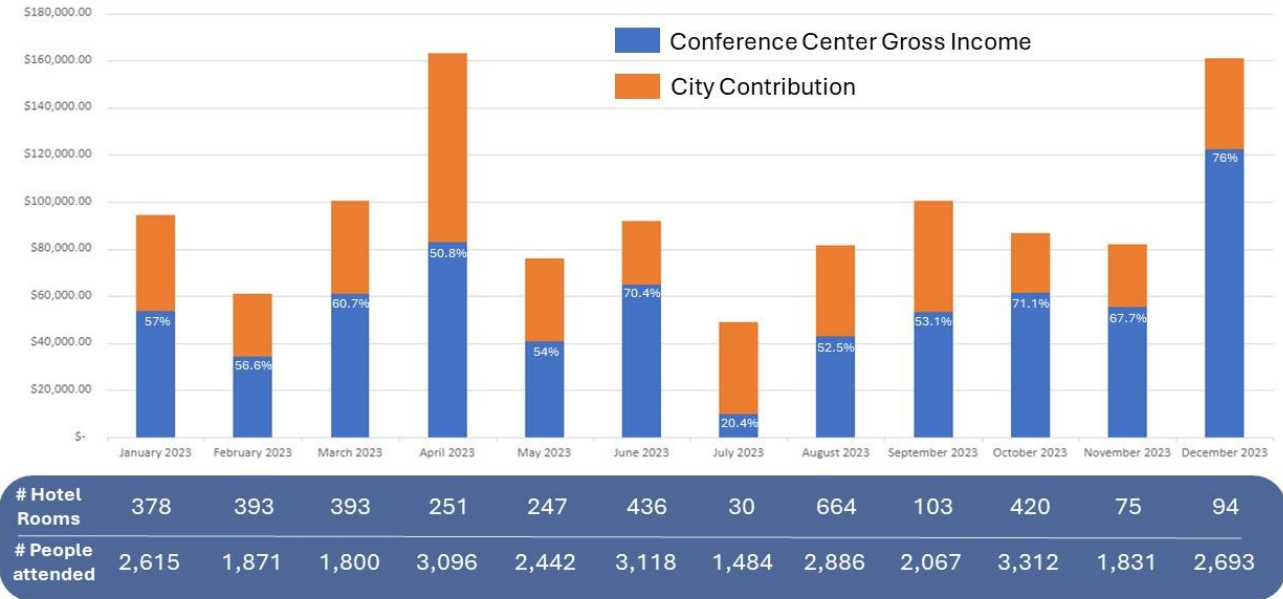
Today's Meeting

- Manchester Coffee County Conference Center "Facts"
- Review CY23 Expense to Income
- Budget impacts
- Budget Opportunities

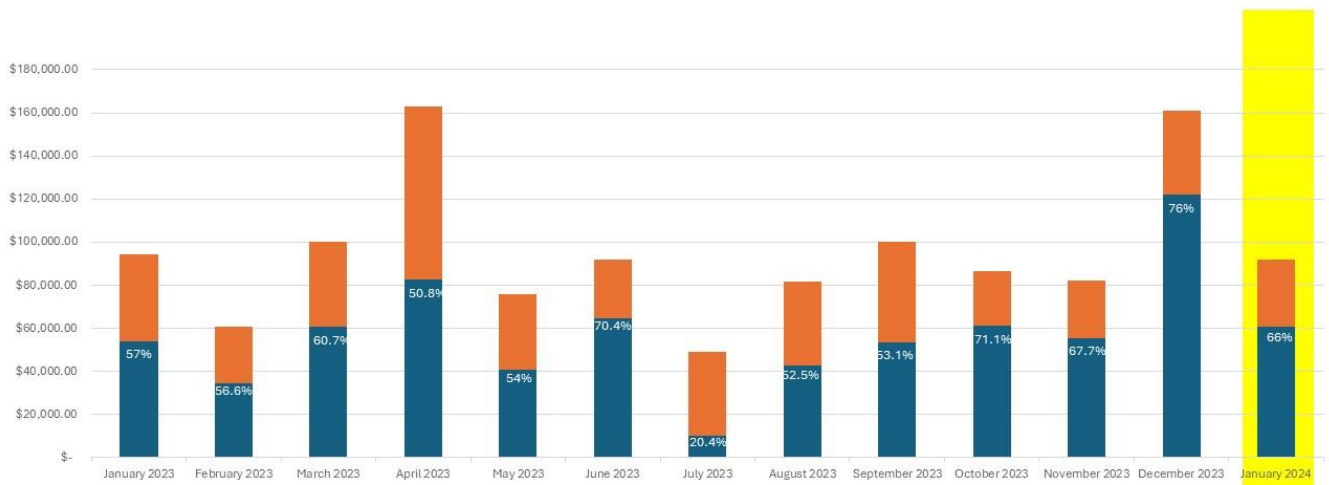
Conference Center *Facts*

- Conference Center is a venue for Manchester and Coffee County to host large and small group meetings and social events.
- CY2023, over 29,000 attendees where approximately 10% of the attendees (over 3,000) reserved hotel rooms
 - Attendee demographics include both Coffee County and/or out-of-town attendees
- Economic impact from out-of-town attendees and rent credits
 - Hotel occupancy fees (approx. \$30-40K / year) and eat, shop and visit local businesses
 - Reduced rentals are provided to groups based on association (i.e., city meetings, chamber meetings, school meetings, etc)
- The Conference Center has seen increased labor and maintenance costs due to increased building maintenance, inflation, and increased utility costs.
- Missed partnership opportunities
 - Lack of partnership between Manchester City and the Conference Center increases contracted labor costs with each repair and maintenance item (i.e., replacing/repairing parking lot lighting, road and parking lot maintenance, landscaping cost, etc)

Conference Center – 2023 Year-end Review



Current Performance



Budget Impacts

- Annual Budget was not fully funded
 - FY23:** Requested \$576K, received \$500K **FY24:** Requested \$548K, received \$350K
- During CY23 – 11 of 12 months, the Conference Center provided over half of the income to cover expenses
- Lack of a **Capital Project Plan** is a significant burden to the budget due to the age and condition of the building.
 - Due to budget cuts, the focus is overhead and fixed costs vs planning for capital maintenance projects.
 - PBA work session** - September 18, 2023, overview and discussion for local leaders on prioritizing capital projects that have a high-risk and high-impact to the building.
- Lack of budget for a **Marketing Plan** directly limits the online marketing channels that have a higher potential to target out-of-town events.
 - Example – National event planners access international associations to search for venues. Our conference center would have a desirable market; however, the marketing opportunities are not included in the budget.
 - Limits not only the conference center's exposure but also direct economic benefits for Coffee County businesses based on tourism dollars.
 - Lunch-n-Learn session** – TN Commissioner of Tourism provided detailed information from the State of TN on July 25, 2023

FY24 Budget Opportunities

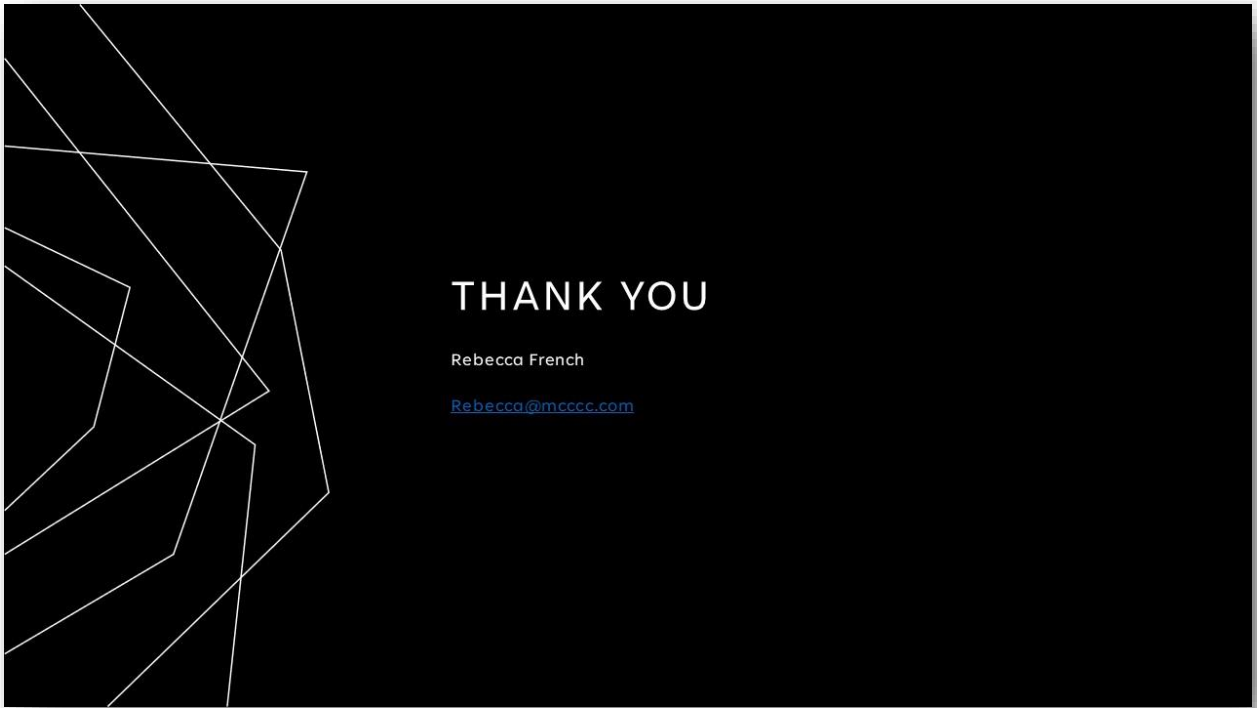
- Average city contributions are down
 - FY23 – Average monthly city contribution = \$42K
 - FY24 – Average monthly city contribution = \$36K (based on first 6 months)

On track for approximately \$72K in budget savings

15%
drop

FY23 City Contributions	\$500K
FY24 Budgeted City Contributions	\$350K
FY24 Under-budgeted	(\$150K)
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Potential Average Monthly Cost Savings	\$72,000
Rent Credits from Hotel Fee	\$ 40,000
Economic Impact Opportunities	\$ 50,000
Potential FY24 budget impacts	\$162,000

Under-funded - \$150K
Less: Savings - \$72K
Remaining funding - \$78K



Public Building Authority of the City Of Manchester Tennessee
Profit & Loss Budget vs. Actual
July 2023 through January 2024

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	Jul 23	Budget	\$ Over Bu...	% of Bud...	Aug 23	Budget	\$ Over Bu...	% of Bud...	Sep 23	Budget	\$ Over Bu...	% of Bud...	Oct 23	Budget	\$ Over Bu...	% of Bud...
Ordinary Income/Expense	9,577.73	16,000.00	-6,022.27	62.4%	42,801.00	16,000.00	26,801.00	267.5%	53,259.01	36,985.00	16,274.01	144.0%	61,515.27	43,565.00	17,950.27	141.2
Income	4,583.10	5,584.00	-1,000.90	82.1%	15,727.03	5,015.00	10,712.03	313.5%	12,342.36	9,197.00	3,145.36	134.2%	14,490.67	9,011.00	5,479.67	160.8
Cost of Goods Sold	5,384.63	10,416.00	-5,031.37	51.8%	27,073.97	10,985.00	16,088.97	246.5%	40,916.65	27,788.00	13,128.65	147.2%	47,024.60	34,554.00	12,470.60	136.1
Gross Profit	57,226.41	62,841.00	-5,614.59	91.1%	84,156.24	69,848.00	14,308.24	122.3%	75,441.94	62,179.00	13,262.94	121.3%	69,805.97	64,185.00	5,620.97	108.8
Expense	-51,831.78	-82,425.00	30,593.22	37.1%	-57,121.27	-57,863.00	741.73	98.7%	-34,525.29	-34,391.00	-134.29	100.4%	-22,781.37	-29,631.00	6,849.63	76.8
Net Income	39,124.72	0.00	39,124.72	100.0%	173,950.50	0.00	173,950.50	100.0%	64,902.54	0.00	64,902.54	100.0%	25,473.00	0.00	25,473.00	100.0
Other Income	0.00	2,448.00	-2,448.00	0.0%	32,078.76	2,448.00	29,630.76	1,310.4%	17,798.50	2,448.00	15,350.50	727.1%	3,109.96	2,448.00	661.96	127.0
Other Expense	39,124.72	-2,448.00	41,572.72	-1,598.2%	141,871.74	-2,448.00	144,319.74	-5,795.4%	47,104.04	-2,448.00	49,552.04	-1,924.2%	22,363.04	-2,448.00	24,811.04	-913.8
Net Other Income/Expense	-12,707.06	-54,873.00	42,165.94	23.2%	84,759.47	-60,311.00	145,070.47	-140.2%	12,578.75	-38,839.00	49,417.75	-34.7%	-418.33	-32,079.00	31,660.67	1.1

Public Building Authority of the City Of Manchester Tennessee
Profit & Loss Budget vs. Actual
July 2023 through January 2024

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	Nov 23	Budget	\$ Over Bu...	% of Bud...	Dec 23	Budget	\$ Over Bu...	% of Bud...	Jan 24	Budget	\$ Over Bu...	% of Bud...	Jul '23 - Ja...	Budget	\$ Over Bu...	% of Bud...
Ordinary Income/Expense	55,549.48	41,511.00	14,038.48	133.8%	122,216.42	135,000.00	-12,783.58	90.5%	76,477.43	58,000.00	18,477.43	131.9%	421,796.34	347,061.00	74,735.34	121.5
Income	15,804.46	15,443.50	360.96	102.3%	21,283.87	29,854.40	-8,570.53	71.3%	15,757.77	15,342.00	415.77	102.7%	98,989.26	89,446.90	9,542.36	111.8
Cost of Goods Sold	39,745.02	26,067.50	13,677.52	152.5%	100,932.55	105,145.60	-4,213.05	96.0%	60,719.66	42,658.00	18,061.66	142.3%	321,807.08	257,614.10	64,192.98	124.9
Gross Profit	74,876.61	79,352.00	-4,475.39	94.4%	110,853.40	101,953.00	8,900.40	108.8%	91,767.75	75,057.00	16,710.75	122.3%	564,207.32	514,415.00	49,792.32	109.7
Expense	-35,131.59	-53,284.50	18,152.91	65.9%	-9,960.85	-3,192.60	-6,768.25	312.0%	-31,048.09	-32,399.00	1,350.91	95.8%	-242,400.24	-256,800.90	14,400.66	94.4
Net Income	39,745.02	26,067.50	13,677.52	152.5%	100,932.55	105,145.60	-4,213.05	96.0%	60,719.66	42,658.00	18,061.66	142.3%	321,807.08	257,614.10	64,192.98	124.9
Other Income	0.00	0.00	0.00	0.0%	43,597.28	0.00	43,597.28	100.0%	40,077.00	0.00	40,077.00	100.0%	420,551.93	0.00	420,551.93	100.0
Other Expense	7,662.15	2,448.00	5,214.15	313.0%	7,211.12	2,448.00	4,763.12	284.6%	5,230.00	2,448.00	2,782.00	213.6%	73,090.49	17,136.00	55,954.49	428.5
Net Other Income/Expense	25,764.74	-2,448.00	28,212.74	-1,052.5%	36,386.16	-2,448.00	38,834.16	-1,486.4%	34,847.00	-2,448.00	37,295.00	-1,423.5%	347,461.44	-17,136.00	364,597.44	-2,027.7
Total	-9,366.85	-55,732.50	46,365.65	16.8%	26,425.31	744.60	25,680.71	3,548.9%	3,798.91	-34,847.00	38,645.91	-10.9%	105,051.20	-273,936.90	378,986.10	-38.4

Public Building Authority of the City Of Manchester Tennessee
Profit & Loss Budget vs. Actual

January through March 2024

	Jan 24	Budget	\$ Over Bu...	% of Bud...	Feb 24	Budget	\$ Over Bu...	% of Bud...	Mar 24	Budget	\$ Over Bu...	% of Bud...	Jan - Mar ...	Budget	\$ Over Bu...	% of B
Ordinary Income/Expense	75,477.43	58,000.00	18,477.43	131.9%	43,994.08	38,000.00	4,994.08	112.8%	0.00	27,596.00	-27,596.00	0.0%	120,471.51	124,696.00	-4,224.49	£
Cost of Goods Sold	15,757.77	15,342.00	415.77	102.7%	2,160.69	10,984.00	-8,823.11	19.7%	0.00	9,232.00	-9,232.00	0.0%	17,918.66	35,558.00	-17,639.34	£
Gross Profit	60,719.66	42,658.00	18,061.66	142.3%	41,833.19	28,016.00	13,817.19	149.3%	0.00	18,464.00	-18,464.00	0.0%	102,552.85	89,136.00	13,414.85	11
Expense	91,767.75	75,057.00	16,710.75	122.3%	24,253.81	65,294.00	-41,040.19	37.1%	900.00	67,368.00	-66,468.00	1.3%	116,921.56	207,719.00	-90,797.44	£
Total Ordinary Income	-31,048.09	-32,399.00	1,350.91	95.6%	17,579.38	-37,278.00	54,857.38	-47.2%	-900.00	-48,904.00	48,004.00	1.8%	-14,368.71	-118,681.00	104,212.29	1
Other Income/Expense	5,230.00	0.00	5,230.00	100.0%	9,899.00	0.00	9,899.00	100.0%	0.00	0.00	0.00	0.0%	15,129.00	0.00	15,129.00	1C
475.5 - In-Kind Sponsor	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.00
475.6 - Impact Pricing	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	1.58	-1.58	0.0%	0.00	1.58	-1.58	0.00
900 - Interest Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	34,847.00	0.00	34,847.00	1C
910 - Reimburse Approp Funds City/...	34,847.00	0.00	34,847.00	100.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	34,847.00	0.00	34,847.00	1C
Total Other Income	40,077.00	0.00	40,077.00	100.0%	9,899.00	0.00	9,899.00	100.0%	0.00	1.58	-1.58	0.0%	49,976.00	1.58	49,974.42	316302
Other Expense	0.00	0.00	0.00	0.0%	3,032.40	0.00	3,032.40	0.0%	0.00	0.00	0.00	0.0%	3,032.40	0.00	3,032.40	0.00
801.2 - TCRS payment 50/50	5,230.00	0.00	5,230.00	100.0%	9,899.00	0.00	9,899.00	100.0%	0.00	0.00	0.00	0.0%	15,129.00	0.00	15,129.00	1C
803 - In-Kind Sponsor Expense	0.00	2,448.00	-2,448.00	0.0%	0.00	2,448.00	-2,448.00	0.0%	0.00	2,448.00	-2,448.00	0.0%	0.00	7,344.00	-7,344.00	0.00
931 - Building Depreciation Expense...	5,230.00	2,448.00	2,782.00	213.6%	12,951.40	2,448.00	10,483.40	528.2%	0.00	2,448.00	-2,448.00	0.0%	18,161.40	7,344.00	10,817.40	24
Total Other Expense	34,847.00	-2,448.00	37,295.00	-1,423.5%	-3,032.40	-2,448.00	-564.40	123.9%	0.00	-2,448.42	2,446.42	0.0%	31,514.60	-7,342.42	38,157.02	-42
Total Ordinary Income	3,798.91	-34,847.00	38,645.91	-10.9%	14,546.98	-38,726.00	54,272.98	-36.6%	-900.00	-51,350.42	50,450.42	1.8%	17,445.89	-125,923.42	143,369.31	-1

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Public Building Authority of the City Of Manchester Tennessee
Profit & Loss Budget vs. Actual

January 2024

	Jan 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income	76,477.43	58,000.00	18,477.43	131.9%
Cost of Goods Sold	15,757.77	15,342.00	415.77	102.7%
Gross Profit	60,719.66	42,658.00	18,061.66	142.3%
Expense				
Contact Concessionaire	1,146.00			
Fuel Surcharge	66.54			
505 · Labor (variable)	20,171.02	17,000.00	3,171.02	118.7%
580 · Payroll Administrative (fixed)	38,050.70	36,253.00	1,797.70	105.0%
585 · Contract Labor	0.00	700.00	-700.00	0.0%
602 · Advertising	5,369.78	4,000.00	1,369.78	134.2%
610 · Bank Service Charges	213.76	0.00	213.76	100.0%
611 · Cash Short/Over	0.00	0.00	0.00	0.0%
612 · Credit Card Fees	0.00	0.00	0.00	0.0%
617 · Computer Expenses	0.00	150.00	-150.00	0.0%
630 · Dues and Subscriptions	1,348.58	1,000.00	348.58	134.9%
635 · Equipment Rental	150.00	0.00	150.00	100.0%
640 · Insurance Expense	439.60	1,700.00	-1,260.40	25.9%
644 · Interest Expense	0.00	0.00	0.00	0.0%
649 · Office Supplies	0.00	120.00	-120.00	0.0%
650 · Licenses and Permits	0.00	0.00	0.00	0.0%
655 · Miscellaneous	0.00	100.00	-100.00	0.0%
66000 · Payroll Expenses	1,236.45			
665 · Postage and Delivery	5.08	54.00	-48.92	9.4%
66900 · Reconciliation Discrepancies	0.00	600.00	-600.00	0.0%
675 · Professional Fees	5,800.00	1,950.00	3,850.00	297.4%
685 · Repairs and Maintenance	8,086.15	3,300.00	4,786.15	245.0%
695 · Travel & Entertainment	615.51	400.00	215.51	153.9%
700 · Utilities	5,764.43	5,950.00	-185.57	96.9%
720 · Supplies	1,272.59	900.00	372.59	141.4%
720.5 · Durable Supplies	41.49	800.00	-758.51	5.2%
725 · Laundry & Linen	241.93	80.00	161.93	302.4%
745 · Petty Cash Reimbursement	700.00			
801-1 · 401K non matching employee only	1,048.14	0.00	1,048.14	100.0%
Total Expense	91,767.75	75,057.00	16,710.75	122.3%
Net Ordinary Income	-31,048.09	-32,399.00	1,350.91	95.8%
Other Income/Expense				
Other Income	40,077.00	0.00	40,077.00	100.0%
Other Expense	5,230.00	2,448.00	2,782.00	213.6%
Net Other Income	34,847.00	-2,448.00	37,295.00	-1,423.5%
Net Income	3,798.91	-34,847.00	38,645.91	-10.9%