



**BOARD OF DIRECTORS MEETING
NEW YORK CONVENTION CENTER OPERATING CORP.**

655 West 34th Street
New York, NY 10001-1188

MINUTES

MEMBERS PRESENT:

Carl H. Loewenson, Jr., Chairman of the Board
Mary D'Elia, Vice-Chair
Ronald Goldstock
Robert Azeke
Jed Howbert
Stephen Drummond
Jeffrey Scruggs
Sherida E. Paulsen
Christine Ferer
Joseph Spinnato
Michael J. McGuire
Marc Ricks
Gary Lavine

ABSENT:

E. Scott Gilbert
Michael J. Stengel
Edward Kane
Kevin Corbett

OTHERS PRESENT:

STAFF:

Alan Steel, Cheerleader-in-Chief
Elizabeth Bradford, Senior VP, General Counsel
Edward B. MacDonald, Senior VP, CFO
Doreen Guerin, VP, Marketing & Sales
Anthony Bracco, VP, General Manager
Aleksandra Davydova, Legal Secretary

VISITORS:

Frank Stroock, Javits

DATE:

March 28, 2012

Time:

4:05 p.m.

Location:

Large Conf. Room

Call to Order	The meeting of the Board of Directors for the New York Convention Center Operating Corporation was called to order at 4:05 p.m. A quorum was present. The meeting was presided over by Board Chairman Carl H. Loewenson, Jr.	
Agenda	Discussion	Recommendation/Action-Follow-up
<p>I. Approval of the Minutes</p>	<p><u>Approval of the Minutes of February 27, 2012 (Attachment 12-11)</u></p> <p>A motion was made and seconded to approve the minutes of the Board of Directors meeting held on February 27, 2012. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1083</p> <p>NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on February 27, 2012, are hereby approved.</p>	
<p>II. Corporate Matters</p>	<p><u>Consultant’s Report</u></p> <p>Mr. Steel described the actions he has taken in the past month, his plans for the month of April, and his long term goals.</p>	
<p>III. Committee Reports</p>	<p><u>A. Finance Committee – Ronald Goldstock, Committee Chairman</u></p> <p>Mr. MacDonald presented the Committee report.</p> <p><u>February and Year-To-Date Financials 2012 (Attachment 12-12)</u></p> <p>Mr. MacDonald presented the financial report for February 2012, showing total Gross Revenue of \$ 15,404,000, which is \$633,000 better than Plan. Total expenses for February were \$14,083,000, which is \$190,000 better than Plan. Net Income from operations was \$1,321,000, which is \$823,000 better than Plan.</p> <p>Year to Date the Center generated \$113,404,000 in Gross Revenues, which is \$3,162,000 ahead of Plan. Expenses were \$114,731,000, which was \$4,388,000</p>	

<p>III. Committee Reports (continued)</p>	<p>better than Plan. Net Loss Year to Date was \$1,328,000 which is \$7,550,000 better than the Plan. In response to Board inquiry, Mr. MacDonald projected that the Corporation would lose money in March, the last month of the fiscal year, ending the fiscal year with a net loss of approximately \$2.6 million.</p> <p>There was a discussion concerning why the Corporation is currently \$7.5 million ahead of plan. Mr. MacDonald attributed the variance to lower expenses for electrical power from NYPA, including a non-recurring credit, lower than anticipated expenses for employee compensation and benefits, lower repair and maintenance costs and the World Police and Fire Games event, which was not included in the year's budget.</p> <p><u>Procurement Summary</u></p> <p><u>Approval of Procurement – Property/Casualty Insurance, Directors & Officers/Employment Practices Liability, Crime and Cyber coverages (Attachment 12-13)</u></p> <p>Mr. MacDonald presented a procurement summary seeking Board approval to bind the Casualty and Property Insurance, Directors & Officers/Employment Practices Liability, Crime and Cyber coverages for April 1, 2012 – March 31, 2013 policy period as follows: Casualty Insurance Program to Chartis, ACE, Navigators, Liberty International, US Fire and Ohio Casualty at a cost of \$560,224; Directors & Officers, Crime, Business Travel Accident and Cyber Liability coverage at a cost of \$92,147; Property Insurance Program including terrorism to Lexington and Travelers for primary, with Allianz, Lloyds Underwriters, XL, Liberty Mutual, Arch Specialty, and Alterra E&S covering the excess for a total property cost of \$1,976,800.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1084</p> <p>NOW THEREFORE BE IT RESOLVED that management is authorized to bind the insurance coverages as indicated above.</p>	
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<p>III. Committee Reports (continued)</p>	<p><u>Resolution to restrict use of funds for OPEB Liability (Attachment 12-14)</u></p> <p>Mr. MacDonald requested a resolution restricting the use of funds for OPEB liability. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1085</p> <p>NOW THEREFORE BE IT RESOLVED that the Board authorizes the Corporation/Management to set aside sufficient assets to cover the present OPEB liability of \$22,766,665 and the FY 2012 current portion approximating \$2,759,646 to satisfy the liability as it comes due. The Board is classifying those assets as restricted funds within the Net Assets section of the balance sheet.</p> <p><u>Approval of Investment Guidelines (Attachment 12-15)</u></p> <p>Mr. MacDonald presented the Corporation’s Investment Guidelines for the required annual review and approval. No changes had been made.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1086</p> <p>NOW THEREFORE BE IT RESOLVED that the Investment Guidelines are hereby reapproved without changes.</p> <p><u>Resolution to Authorize Staff to sign checks drawn on payroll account (Attachment 12-16)</u></p> <p>Mr. MacDonald requested a resolution authorizing certain employees to sign manual payroll checks drawn on a payroll account.</p> <p>A motion was made and seconded. The following resolution passed by unanimous</p>	
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<p>III. Committee Reports (continued)</p>	<p>vote:</p> <p>Resolution No. 1087</p> <p>NOW THEREFORE BE IT RESOLVED that the Board authorizes the following individuals to sign manual payroll checks drawn on a payroll account maintained on the Corporation’s behalf at J.P. Morgan Chase Bank in accordance with §2569 of the Public Authorities Law: Edward B. MacDonald, Jr. – CFO, Anthony Bracco – GM, Barrett Kfare – Director of Accounting & Disbursements and Michael Breen – Director of Finance and Planning.</p> <p><u>Resolution to Authorize Staff to sign warrants (Attachment 12-17)</u></p> <p>Mr. MacDonald requested a resolution authorizing certain employees to sign warrants.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1088</p> <p>NOW THEREFORE BE IT RESOLVED that the Board authorizes the following individuals to sign warrants for the purpose of requisitioning checks, wire transfers and transfers of monies in the name of the Corporation in accordance with §2569 of the Public Authorities Law, in accordance with the New York Convention Center Operation Corporation Warrant Procedures: Edward B. MacDonald, Jr. – CFO, Elizabeth Bradford –General Counsel, Anthony Bracco – GM, Doreen Guerin – VP of Sales & Marketing, Barrett Kfare – Director of Accounting & Disbursements, Michael Breen – Director of Finance and Planning, Patrick Bellino – Director of IT and Senen Gabaldon – Senior Accounting Manager.</p> <p><u>Preliminary 2012-13 Budget (Attachment 12-18)</u></p> <p>Mr. MacDonald presented a preliminary 2012-13 budget for review and discussion. Mr. MacDonald explained that a larger deficit is projected for next year as compare to this year because, while revenues are expected to increase as the economy and</p>	<p><i>A detailed final budget will be presented to the Board at the April meeting.</i></p>
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<p>Reports (continued)</p>	<p>and Company.</p> <p><u>F. Governance – E. Scott Gilbert, Committee Chairman</u></p> <p>There was no report but Mr. Loewenson reminded the Board members of their obligation to file financial disclosure statements and advised them to watch for e-mail notification of their passwords for access to electronic filing.</p> <p>Ms. Bradford advised that the Board self evaluation forms had been distributed to individual members and should be returned no later than the April Board meeting.</p> <p><u>G. Ad Hoc for Javits Expansion – Carl H. Loewenson, Jr., Committee Chairman</u></p> <p>Mr. Loewenson advised that Mr. Silverman had chaired his first CCDC Board meeting in early March at which Tishman made a presentation on the status of renovation.</p> <p><u>H. EEO Oversight – Carl H. Loewenson, Jr, Esq., Committee Chairman</u></p> <p>No report.</p>	<p><i>Mr. Loewenson requested that CCOC management make arrangements with Tishman for a similar presentation to the CCOC Board at the April meeting.</i></p>
<p>VI. Adjournment</p>	<p>By motion and agreement, the meeting was adjourned at 5:20 PM with the next meeting to be held on April 25, 2012.</p>	