

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Special Board Meeting - Thursday, May 29, 2025

Board Members Present: Dahlkemper, Glass, Hilbert, Johnson, Nuber (Teams), Richards, Riley, Schmitt (Teams), White & Zaphiris (Teams)

Board Members Excused: Todd Deitrick

Others Present: Gus Pine, TJ Hesch, Jim Walczak; Solicitor

Ms. White called the meeting to order at 10:55 AM.

Mr. Richards, Audit Committee Chairperson, said our responsibility every year is to review the in-depth work product of our auditors. He said they are in the first-year of a three-year contract, and we have always followed what I call the Sarbanes Oxley Rule, which basically is imposed on most public corporations that we review our relationship on a periodic basis, and that is why we are into a three-year contract, which this is the first-year. Mr. Richards said the Audit Committee went through the work product of the auditors. He said we asked many questions and it was thorough. Mr. Richards said at the end of their report, I will give you the position of the Audit Committee's recommendation. Mr. Richards said so I will turn it over to the auditors for their presentation.

PUBLIC COMMENT:

Ms. Bryan said I serve as the audit partner on your audit and with me today is Ms. Jen Croft, who serves as the audit manager. She said we are going to walk briefly through the documents that you get as part of the audit process, happy to take questions at any point. She said the documents that are issued as part of the audit include financial statements on the authority. She said the authority statements do consolidate the activities of the Sheraton and Courtyard as well as the other operating sectors of the authority. Ms. Bryan said there are separate financial statements issued for the Sheraton and Courtyard. She said there is also an agreed upon procedures report that is issued, that is required for your debt reporting. Ms. Bryan said our responsibility as auditors is to issue an opinion on the financial statements. She said they are management's financial statements, and management is responsible for the statements, as well as the significant accounting policies within the statements. Ms. Bryan said there were no major changes to the significant accounting policies within your statements, as there were no new activities undertaken from the authority, or no new standards that would require changes. She said your statements do include accounting estimates, but none that we consider particularly sensitive. Ms. Bryan said the disclosures in your statements are considered neutral, consistent and clear. Ms. Bryan said the most significant disclosures relate to the long-term debt of the organization, risk and uncertainties and the Sheraton debt covenant. Ms. Bryan said the Sheraton debt covenant was not met in the 2024 year, which, as well, was not met in the 2023 year, although there was improvement in the ratio that is required to be met, the actual covenant was not met due to closure of rooms during the construction period that occurred in 2023 and early 2024. Ms. Bryan said we have reviewed the 2025 activity, and do believe that the authority is moving in a direction to meet that covenant, if not in 2025 in 2026 certainly we're headed with that covenant in the right direction. Ms. Bryan said we had no difficulties in performing the audit. She said kudos to Mr. Gus Pine and Mr. TJ Hesch and their team. She said transitioning the CFO role is certainly an undertaking for any organization, so thanks to Mr. Hesch and his accounting staff for their efforts. Ms. Bryan said there were no corrected or uncorrected misstatements, which means there was no adjustments to your books and records, which should give you confidence that the information that you are seeing on a basis throughout the year is accurate for your organization. Ms. Bryan said we had no disagreements with management and you will obtain a Management Representation Letter. She said statements that you are looking at today are in draft format. Ms. Bryan said there was no management's consultation with other independent accountants, and no matters discussed regarding our retention. She said there is a management discussion and analysis included as required supplementary information in your statements. She said that is something that is required by the Government Accounting Standards Board that is written by management to further explain the information within the audit. Ms. Bryan asked if the Board had any questions she could address and provided her contact information to answer any questions for the Board they might have in the future.

Ms. White asked the Board if they had any questions or comments. There were none.

Mr. Richards, Audit Committee Chairperson, on behalf of the Audit Committee motioned to accept the 2024 Audit as presented. Mr. Riley seconded the motion. The motion was approved unanimously.

Ms. White asked if there was any additional public comment. There was none.

ADJOURNMENT:

Mr. Richards motioned to adjourn. The motion was approved unanimously.

The meeting adjourned at 11:12 AM.