



MASSACHUSETTS  
CONVENTION CENTER  
AUTHORITY

# Opportu

ANNUAL REPORT 2013



A large, illuminated modern building with a curved, light-colored facade and glass windows. The building is set against a dark blue night sky. In the foreground, several cars are driving on a street, their lights blurred into streaks of light.

unities

The Massachusetts Convention Center Authority owns and oversees the operations of the Boston Convention & Exhibition Center, the John B. Hynes Veterans Memorial Convention Center, the MassMutual Center in Springfield, MA and the Boston Common Parking Garage.

**Our Mission.** The MCCA's mission is to generate significant regional economic activity by attracting conventions, tradeshows and events to its world class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.

To view the MassMutual Center Annual Report please visit:  
[www.massmutualcenter.com](http://www.massmutualcenter.com)

Attract larger and more  
impactful events <sup>(page 3)</sup>

Foster connections  
between our events,  
attendees, and local  
industries <sup>(page 9)</sup>

Change the way  
we convene <sup>(page 15)</sup>





**Opportunities.** Just over 16 years ago, Boston saw an opportunity to become a major player in the meetings and conventions industry and decided to build a world class convention center in the underdeveloped South Boston Waterfront. At the time, vocal opponents voiced their concerns about the Boston Convention & Exhibition Center project and questioned Boston's viability as a convention destination. But its champions envisioned Boston's ability to compete for business and recognized an opportunity to realize huge economic benefits for the City and Commonwealth, and we moved forward.

Now, we're just months away from celebrating the 10-year anniversary of the BCEC's opening. As with any significant milestone, we're looking forward to celebrating the MCCA's many accomplishments and the tremendous successes we've realized in just 10 short years – successes that include creating \$5.3 billion in economic impact for the Commonwealth, bringing 425 major events to Boston, booking 5.4 million hotel room night stays, and sustaining more than 5,300 Massachusetts jobs annually. We'll celebrate being listed as a Top 10 North American meetings and conventions destination for seven years running, winning Convention Center of the Year in 2007 just three years after opening the

BCEC, and earning two rare Gold Standards for both the BCEC and the Hynes Convention Center from the International Association of Congress Centres (AIPC), making Boston only the fourth city in North America and the 12th worldwide to have been awarded this top standard.

While we certainly have cause for celebration, we also realize that now is not the time to rest on our laurels. We believe Boston's best years as a convention city are still ahead of us. We see endless opportunities to attract larger and more impactful events. We believe we can continue to help foster lasting business connections between our events and local organizations. And we know we can continue to elevate the level of products and services we offer our customers.

Just as we were before the construction of the BCEC, we know we must continue to be strategic as we look forward to the next 10 years of Boston's convention industry success. In this Fiscal Year 2013 Annual Report, we outline just some of the work we're doing to capitalize on our past successes and think strategically about how to seize the opportunities available to us right now and into the future.

*James E. Rooney*

James E. Rooney  
Executive Director, MCCA

*Michelle A. Shell*

Michelle A. Shell  
Board Chair

# Expand Our Share

Boston's Market  
Share in 2010

Boston's Market  
Share in 2030?

While cities like San Diego, Orlando, and Chicago were losing market share, Boston's share of the convention and event market grew 25% from 2000–2010.

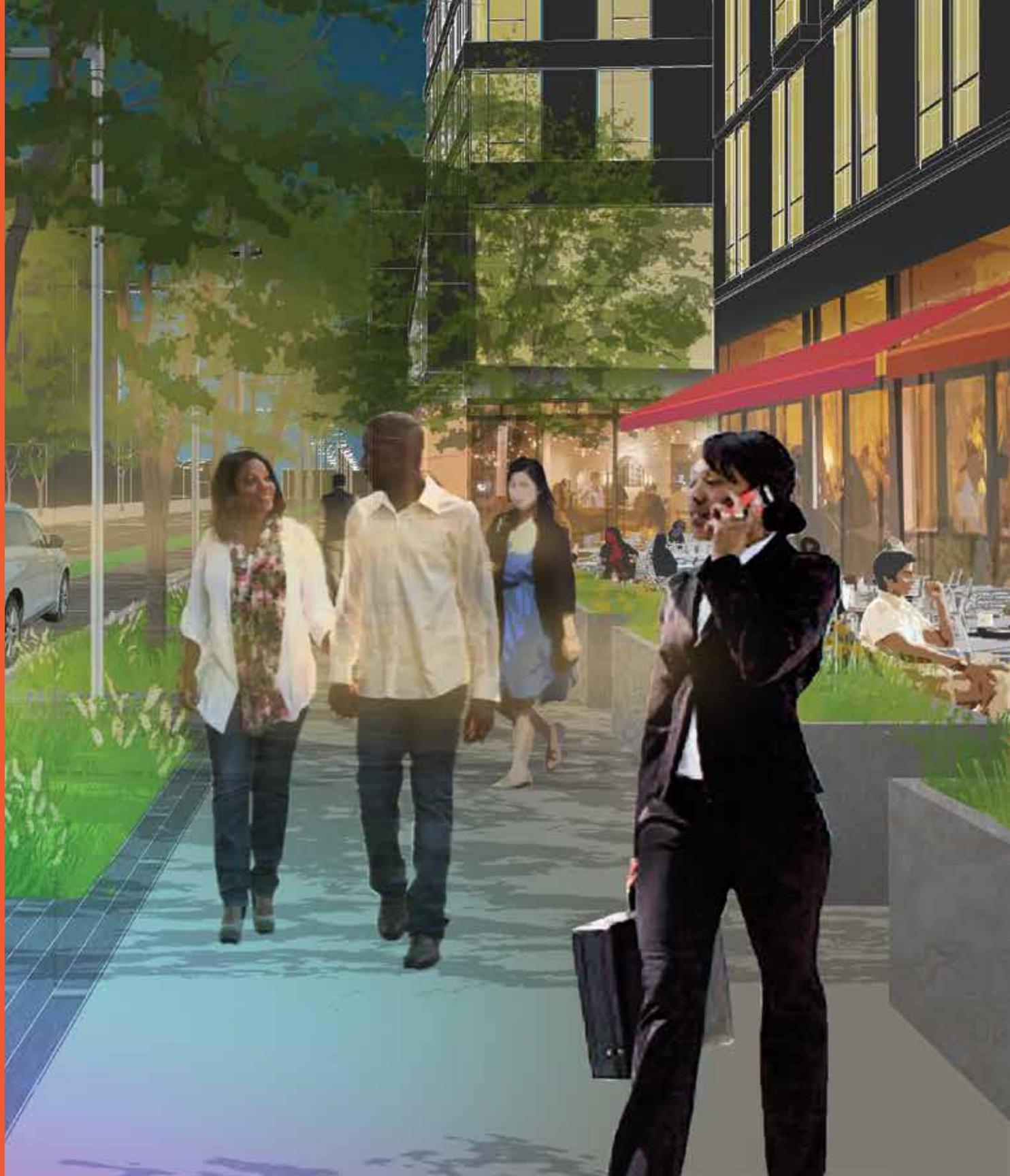
Source: Center for Exhibition Industry Research

The US convention industry generates **\$263 billion** in direct spending every year.\* Our market share has grown over the last ten years, but we have the opportunity to go further and become one of the top players in the industry.

MORE

In the United States, over 1.8 million meetings are hosted annually, generating \$263 billion in direct spending each year. Boston is a major player in this industry: in 2012, meetings held at the BCEC and Hynes created more than \$650 million in economic impact alone. The industry continues to evolve and there are many competitor cities, but Boston's share of the market continues to climb as our reputation for excellent service, superior technology and an environment of innovation grows. With this reputation comes an opportunity for the MCCA to corner more of the global meetings and conventions market and bring far more economic impact to our region. Our Top 5 initiative allows Boston to capitalize on the momentum we've built as a top 10 meetings and conventions destination.

*Rendering shows proposed retail and vibrant urban landscape to accompany new D Street hotel development.*



# Meeting Demand

We know that two ways to grow our market share are to physically grow our hotel room inventory and our available meetings and conventions space to meet the present demand for meeting planners who want to come to Boston, but either can't find available dates or adequate space for their events. We took significant steps forward on these two needs in Fiscal Year 2013 by acquiring six acres of land located directly across from the BCEC and entering into an agreement with a hotel developer to bring two mid-priced hotels to the South Boston Waterfront. These important developments help the Boston meetings industry tremendously. New hotel rooms will offer more options to our customers and their attendees, bring jobs for Boston residents and revitalize what was once a vacant parcel of land on D St. by creating a vibrant streetscape with retail, improved walkways, and public space.

In the last year, we have worked diligently with financial and industry experts to create a solid economic plan to support BCEC expansion. The resulting financial plan allows for the expansion of the BCEC using existing Convention Center Fund proceeds, without any increase in fees or taxes.

These two major milestones in our Top 5 initiative bring us significantly closer to matching our capacity with the needs of important meeting planners around the world, bringing tens of thousands of thought leaders and millions of dollars to Boston instead of competitor destinations. Nevertheless, our effort to fully implement our strategic Top 5 initiative continues, with the goal of making Boston more competitive and to increase our economic benefit to Massachusetts.



She has 20 years of experience in the industry!

The BCEC is already a first-class facility in a wonderful city. An expansion coupled with hotel development would take it to the next level. It would allow groups to host larger general sessions within a ballroom and would enhance the attendee experience. An expanded hotel package within walking distance to the center would allow attendees to easily experience both the convention and waterfront. Overall, an expansion would not only be good for show organizers but also convention attendees.

ROBIN R. PRESTON NATIONAL SCHOOL BOARDS ASSOCIATION

MORE HOTELS AND AN EXPANDED BCEC WOULD MEAN:

**44%** more major events annually

**47%** increase in hotel room night stays

**21%** increase in event attendees

**35%** increase in economic impact

**41%** increase in tax benefits

That's quite a gap!

**1,700** rooms  
Current hotel supply within walking distance of the BCEC  
versus  
**8,000** rooms  
Average hotel supply of our competitors

**510**  
Rooms added to South Boston Waterfront hotel inventory

**2,100**  
Permanent jobs that could be created by the new hotels and expansion of the BCEC (4,700 construction jobs)

# Attracting an Emerging Market

The Hynes Convention Center is one of the most desirable meetings locations in the country thanks to its prime Back Bay location and connectivity to hotels, nightlife and shopping. We continue to invest in the Hynes and see tremendous opportunity to market this popular center to the growing international meetings and conventions market.

A key component of our Top 5 initiative, improving Boston's status as an international event destination has become a major priority for the MCCA. Research shows that the international meetings industry has a significant education focus and relies heavily on technology – which makes it a great fit with the kind of intimate and unique meeting spaces that the Hynes Convention Center already provides. This presents a perfect opportunity to position the

Hynes as the leading center for international events in the country. Two MCCA teams – the Capital Projects department and our new Strategy & Product Development department – are collaborating to craft an investment plan that enhances the Hynes' technology infrastructure and creates a more flexible floor plan. New international events will help us expand our market share in the meetings industry. And better still, international events tend to have greater economic impact, since attendees stay longer and spend nearly three times as much as their domestic counterparts. Drawing international events to Boston allows us to showcase Massachusetts' role as global thought leader in key industries such as life sciences, education, technology and finance, extending the economic impact beyond hotel room nights and tourism dollars.



*International travelers are important to the Massachusetts tourism industry. In fact, among the 50 states, we have the 6th highest volume of international visitors. Whether they come as tourists or to attend a meeting or convention, international travelers are likely to stay longer and spend three times as much as domestic visitors. With new air service from Asia, South America and the Middle East, Massachusetts is well positioned for even more visitation and the revenue that comes with it.*

**BETSY WALL** EXECUTIVE DIRECTOR, MASSACHUSETTS OFFICE OF TRAVEL AND TOURISM

## WHY SEEK OUT INTERNATIONAL EVENTS?

- 60M** Annual increase in international travelers worldwide
- 10%** Percentage of visitors to Boston who are from overseas
- \$2B** Direct spending by overseas visitors
- 17K** Jobs generated by international travel in Massachusetts
- 60%** Percentage of the largest events in 2012 that had more than 10% international attendees

**Source:** Massachusetts Office of Travel and Tourism  
2012 Economic Impact Report



Massachusetts has the 6th highest volume of international visitors in the US



# Make it Local



How can we go beyond tourism and turn Boston conventions into true platforms for economic growth? By **focusing** on key local industries, and by using our infrastructure to help home-grown events expand their reach and go big time.



MORE



As we expand our capacity, we have the opportunity to generate new business for the Commonwealth by attracting events in our state's economic sweet spots. More than 60% of our largest events in Fiscal Year 2013 fell into the medical or life sciences, technology and education sectors. The benefits of this alignment go beyond direct spending and additional hotel room nights: attendees and exhibitors are also making key educational and business-building connections. They also help build Boston's reputation for thought leadership in these key industries, as well as draw record-breaking attendances that help cement client relationships with both the MCCA and the city. But it's not just about attracting large, established events: the MCCA also has the opportunity to provide meeting space for local ventures to host their first events, help them grow, and continue a partnership as they garner national and international attention.

# Two Centers, Endless Possibilities

Unique among our main competitors, Boston hosts two distinct and successful convention venues: the BCEC and Hynes Convention Center. This diverse infrastructure allows us to support events even as they grow and evolve, which makes Boston a great incubator for new ventures in the meetings industry. Several of our best-known and successful annual events started their run at the Hynes, and expanded quickly to draw capacity crowds at the BCEC. The International Boston Seafood Show is one example. The Yankee Dental Congress and the ever-popular gaming event, PAX Expo East, have followed the same impressive course.

Last August, the Hynes welcomed Cambridge-based marketing company HubSpot's inaugural gathering of customers and business partners, a conference called "INBOUND." The conference drew more than 2,500 guests in its first year. In 2013, that number doubled to more than 5,000, filling the Hynes and attracting globally-renowned keynote speakers

such as Arianna Huffington of the *Huffington Post* and famed big data blogger, Nate Silver. Like the International Boston Seafood Show and PAX Expo East, Inbound Marketing is already looking ahead to a likely move to the BCEC as it gathers national attention and inches closer to becoming a blockbuster marketing event in the near future. And because we offer events like Inbound Marketing the room to expand, we get to keep them – and the audience and mindshare they draw – in Boston.

**What is HubSpot?** HubSpot, formed in 2006 by two MIT grads, has developed into one of the largest venture-backed firms in the Boston area, with 600 employees and \$52 million in sales in the last year. Their product, which exists entirely on the web, helps customers create web and social media content to attract new customers and keep them engaged. HubSpot is credited with being the first company to show the importance of social media channels to a company's overall marketing strategy.



*Most people know that Boston is home to many of the best universities, hospitals, and sports teams in the world, but what many people don't realize is that Boston is a great incubator for best-in-class conferences and events. With two convention centers, a high concentration of venture capitalists and entrepreneurs, great neighborhoods, hotels, and restaurants, Boston is an ideal location to launch and grow world-class events.*

*INBOUND began last year at the Hynes, doubled in size to remain at the Hynes this year, and will move to the BCEC next year as we continue to expand our scope and audience. At HubSpot, our goal is to transform the world of marketing, and hosting a premiere event is a critical component of our strategy: Boston provides the perfect backdrop to make that vision a reality.*

**BRIAN HALLIGAN** CEO, HUBSPOT

## FIVE KEY EVENTS THAT MOVED FROM THE HYNES TO THE BCEC

Events generated more direct event revenues for MCCA after the transition, ranging from 11% (Seafood) to 140% (PAX)



**101%**

Percent Growth (in GSF) after the move



**195%**



**195%**



**101%**



**49%**

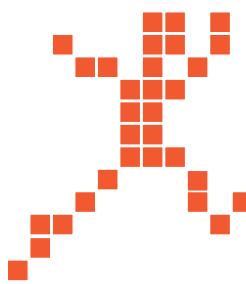
# Engines for Economic Development

Since the BCEC opened in 2004, Boston's convention industry has been a boon to the state's tourism and hospitality industry. But that's only part of the story: our convention infrastructure has emerged as an engine for economic development, not just in Boston but for the entire Commonwealth. Partnering with state and city officials, we have leveraged our thought leadership in the life sciences and high technology industries to attract events that specifically showcase Massachusetts's companies and institutions. This last year we have been working with key exhibitors and attendees to document the economic benefits generated by events in Boston,

going beyond traditional metrics (hotel room nights, dollars spent, etc.) to look at new business opportunities that have emerged from events at the BCEC and the Hynes. Through our Capital Projects and Strategy & Product Development departments, we're developing ways to actively promote the link between conventions, attendees, and local companies and institutions. Our research and strategic initiatives will help us better define Boston in the mind of event planners, decision makers and attendees as a city where meetings resonate long after they have ended.

## TRADITIONAL METRICS

- Number of Events
- Number of Attendees
- Hotel Nights Booked
- Tax Revenue
- Hotel Revenue
- Attendee/Exhibitor/Event Planner Spending



The growth of PAX East has been great for the burgeoning Massachusetts video game industry.



Having PAX East in Boston puts the spotlight on the incredibly talented developers working in the Massachusetts gaming and technology sectors. For Disruptor Beam, PAX East 2013 was our first opportunity to present our new product, Game of Thrones Ascent. From a cost perspective as a newer company, it helped tremendously to have the event right here in our backyard. We were able to exhibit in a special Indie Showcase where we connected directly with consumers and other businesses that have helped us improve our product. Since last year's PAX East, we've had over 2 million people download our game and we are confident that number will only continue to grow.

**JON RADOFF** CEO, DISRUPTOR BEAM, INC.



## NEW METRICS

Focus on events in key economic sectors as percentage of total events

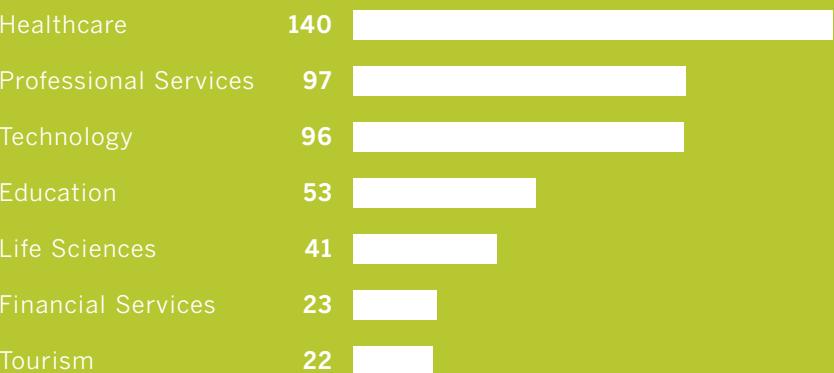
Track number of non-local VIPs attending events

Measure participation in events by local representatives of key industry sectors

Count complementary, off-site events/receptions held in conjunction with events

Gauge outcomes of events using a range of yardsticks – from relationships established to local expansions

## # OF EVENTS BY KEY SECTOR (2005–2015)



# Redefine Conventions

*Putting the client  
at the center*

By focusing on clients, exhibitors, and visitors we can go beyond delivering excellence to define a distinctive brand for the MCCA experience.



As we celebrate our success over the past decade, we ask: what's the next opportunity ahead of us? How do we stay ahead in a highly competitive market? The answer: change the way **we think** about convention center operations overall.



MORE

The MCCA will mark the 10-year anniversary of the BCEC in June 2014. In the decade since we opened our doors, we will have welcomed 425 major events and 7.2 million attendees to Boston and have quickly risen through the ranks to become a Top 10 North American meetings destination. In Fiscal Year 2013, the MCCA made it a priority to review our business practices and improve operations from both a cost and revenue perspective. Our new Strategy & Product Development department is leading the way, studying the current meetings and conventions market conditions, exploring strategic alternatives to the way we do business – including new product and service opportunities – and forecasting the market to better understand our future competitive environment. Their work has made it clear that we have the opportunity to enhance our service offerings and our clients' experiences by breaking the mold of convention center operations, even as we generate significantly more revenue for the Commonwealth.



# Focus on the Experience



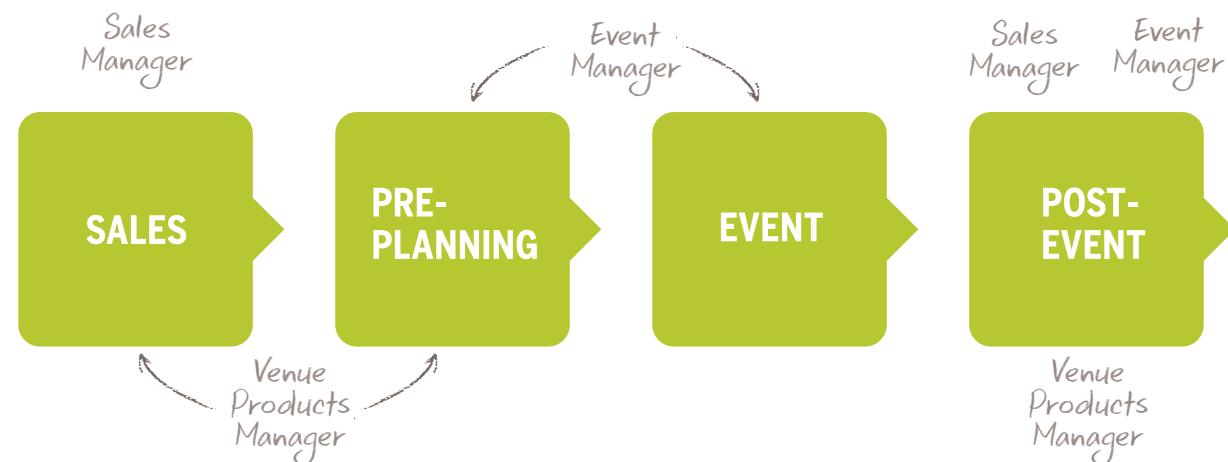
*Our team has always found MCCA staff to be not only incredibly knowledgeable about their facilities and services, but also dedicated to making sure that our*

*needs are met from the early planning stages through post-event reflection. As a meeting planner, it is refreshing to have a convention team that thinks beyond basic event execution and considers the overall meeting planner experience when making decisions about their new and existing products and how we can implement them to make our show better and better each year.*

**LIZ PLIZGA** TRADE SHOW AND EVENT DIRECTOR, DIVERSIFIED BUSINESS COMMUNICATIONS, INTERNATIONAL BOSTON SEAFOOD SHOW, SEAFOOD PROCESSING AMERICA

## MANAGING THE EVENT EXPERIENCE

We've identified primary client contacts for every stage of the event planning and execution process, from sales to assessment and documentation. The client is always in good hands.



Under the leadership of our Chief Strategy Officer, the Strategy & Product Development team is focused on our clients and their needs, with the goal of increasing product and service revenues while also creating a customer experience unlike any other convention center. And they are doing this work through traditional and non-traditional means, from creating a sales strategy to better market the services we have to offer, to developing and marketing new and innovative products designed to enhance our client's events. Their goal is to remove the level of complexity associated with selecting convention center services and make it easy for planners to take advantage of the full potential of our venues.

A key component of the Strategy & Product Development team's latest work includes a new service model – unique to the industry – that

puts the client at the center of everything we do. Instead of asking meeting planners to work with each individual service department, we have committed ourselves to delivering industry-leading products and services in an integrated way. With a new Venue Product Manager serving as a preliminary coordinator, we work with clients to expand their expectations and introduce them to the product palette that best matches their specific goals. Currently in a pilot phase, we've already presented this new model to some of our annual clients for 2014 events, taking the opportunity to better leverage our services and create more direct revenue for the MCCA. We're confident that our Venue Product Managers program will help us stay ahead of our competitors and showcase our never-ending commitment to excellence in customer service.

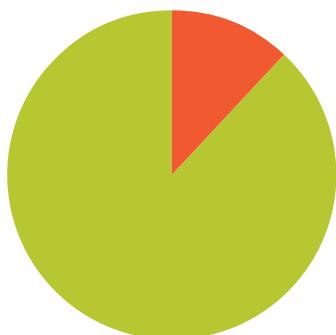
*Simplifying interactions empowers the client to push their events further.*

# Changing the Convention Model

In the U.S., most publicly owned and operated convention centers are designed to generate economic impact for their host cities, drawing thousands of attendees who spend money in restaurants, hotels and other regional businesses. At the MCCA, the Strategy & Product Development Team is breaking new convention ground by developing revenue generators to make our facilities more economically self-sufficient. One of the creative ways in which we're achieving this goal is by partnering with event organizers – many of them local – to launch MCCA-run events.

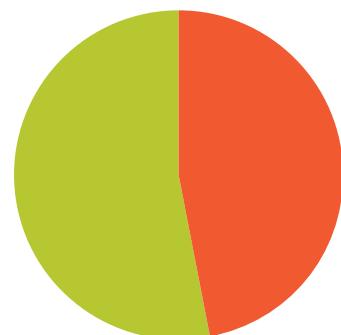
The idea itself is not exactly new: several European convention centers have developed and produced their own quasi-public events, many of which have gone on to achieve major world-wide success. Nevertheless, the model is new to the US meetings industry, and an excellent opportunity to generate significant revenue and draw attention to the Massachusetts events scene. The Strategy & Product Development team is already hard at work on developing our first events, ranging from an overnight hackathon, to a conference on food allergies featuring local chefs, to a multi-day digital music exposition.

REVENUE GENERATED FOR THE MCCA (AS A PERCENTAGE OF TOTAL)



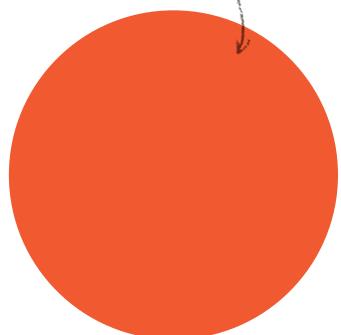
**10-15%**

Revenue  
from traditional  
events



**45-50%**

Expected revenue  
when MCCA partners  
to produce events



**100%**

Expected revenue  
when MCCA owns  
and operates events

*Creating and owning events allows us to take a larger share of the expected revenues.*

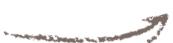


*The MCCA's Strategy & Product Development team was created with the primary goal of moving away from the traditional loss leader convention center model to one that relies less on subsidies and more on revenue-generation performance. Right now, our team is focused on developing a sustainable selling mechanism. Soon it will be about implementing and proactively leveraging our existing and newly created services to our customers.*

*We're also looking to European and Asian convention center models for innovative inspiration when it comes to revenue generation. By making soft investments in producing and owning our own events we have an opportunity to significantly increase the direct revenue that goes to the MCCA. We'll create relationships with national event producers who will have an active interest in Boston's success as a meetings and conventions destination and may bring their other events to our city. And by forming some of those partnerships locally, we'll be able to highlight uniquely Massachusetts events and organizations.*

**JOHANNA STORELLA**

CHIEF STRATEGY OFFICER, MCCA





# Financials

FOR THE FISCAL YEARS ENDED  
JUNE 30, 2013 AND 2012

## Statements of Net Position

### ASSETS

	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	\$ 22,160,155	\$ 19,328,882
Restricted cash and cash equivalents	1,150,000	3,256,721
Cash held by Commonwealth for environmental remediation	6,496,203	8,125,000
Receivables, net of allowance for uncollectible amounts:		
Grants receivable from the Commonwealth	12,239,241	10,999,159
Convention receivables	3,572,500	4,584,954
Loans	303,837	246,715
Restricted grants receivable from the Commonwealth	20,000,000	1,300,000
Prepaid expenses	1,654,734	1,269,145
<b>Total current assets</b>	<b>67,576,670</b>	<b>49,110,576</b>
NONCURRENT ASSETS		
Receivables, net of allowance for uncollectible amounts:		
Loans	17,412,565	15,046,564
Capital assets not being depreciated	181,132,019	146,411,442
Capital assets, net of accumulated depreciation	640,945,162	663,541,624
<b>Total noncurrent assets</b>	<b>839,489,746</b>	<b>824,999,630</b>
<b>Total assets</b>	<b>907,066,416</b>	<b>874,110,206</b>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	12,230,408	11,854,695
Deposits and deferred revenue	10,347,474	10,224,492
Accrued compensated absences	1,059,697	966,811
<b>Total current liabilities</b>	<b>23,637,579</b>	<b>23,045,998</b>
NONCURRENT LIABILITIES		
Environmental remediation	6,204,618	6,204,618
Accrued compensated absences	1,251,318	1,149,860
Net OPEB obligation	4,738,782	3,508,777
<b>Total noncurrent liabilities</b>	<b>12,194,718</b>	<b>10,863,255</b>
<b>Total liabilities</b>	<b>35,832,297</b>	<b>33,909,253</b>
NET POSITION		
Invested in capital assets, net of related debt	822,077,181	809,953,066
Restricted for:		
Loans	-	2,706,721
Other	21,150,000	1,850,000
Unrestricted	28,006,938	25,691,166
<b>Total net position</b>	<b>\$ 871,234,119</b>	<b>\$ 840,200,953</b>

## Statements of Revenues, Expenses and Change in Fund Net Position

<b>OPERATING REVENUES</b>	<b>2013</b>	<b>2012</b>
Convention services income	\$ 16,538,979	\$ 17,051,287
Convention rental income	14,377,417	14,345,992
Food and beverage	6,496,453	6,374,639
Parking fees	11,142,882	10,360,893
Commercial revenue	1,440,388	1,205,701
Other	1,001,700	815,814
<b>Total operating revenues</b>	<b>50,997,819</b>	<b>50,154,326</b>
<b>OPERATING EXPENSES</b>		
Salaries and benefits – operating	22,197,181	20,536,202
Salaries and benefits – administrative	6,055,839	5,689,511
Other operating expenses	22,574,650	20,980,982
Contracted services	19,802,716	19,855,901
Utilities	8,981,133	7,701,013
Depreciation	42,897,730	40,264,615
<b>Total operating expenses</b>	<b>122,509,249</b>	<b>115,028,224</b>
<b>Operating loss</b>	<b>(71,511,430)</b>	<b>(64,873,898)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Massachusetts Convention Center Fund – Commonwealth grant	48,184,362	48,790,460
Federal grants	100,000	120,624
Interest received on loans receivable	793,634	445,309
Investment income	3,241	7,503
Gain on sale of capital asset	463,359	-
<b>Total nonoperating revenues (expenses), net</b>	<b>49,544,596</b>	<b>49,363,896</b>
<b>Loss before capital contribution</b>	<b>(21,966,834)</b>	<b>(15,510,002)</b>
<b>CAPITAL CONTRIBUTIONS</b>		
Capital contributions	53,000,000	-
<b>Change in net position</b>	<b>31,033,166</b>	<b>(15,510,002)</b>
<b>Net position at beginning of year (as restated)</b>	<b>840,200,953</b>	<b>855,710,955</b>
<b>Net position at end of year</b>	<b>\$ 871,234,119</b>	<b>\$ 840,200,953</b>

## Statements of Cash Flows

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2013</b>	<b>2012</b>
Receipts from customers and users	\$ 52,133,255	\$ 49,358,282
Payments to vendors	(50,138,370)	(49,223,609)
Payments to employees	(28,058,676)	(26,034,368)
<b>Net cash from operating activities</b>	<b>(26,063,791)</b>	<b>(25,899,695)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating subsidy - Massachusetts Convention Center Fund	48,244,280	50,692,871
Federal grants	100,000	120,624
<b>Net cash from noncapital financing activities</b>	<b>48,344,280</b>	<b>50,813,495</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(54,029,689)	(23,658,442)
Capital contributions	33,000,000	-
Proceeds from sale of capital assets	1,100,000	-
<b>Net cash from capital and related financing activities</b>	<b>(19,929,689)</b>	<b>(23,658,442)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Loans issued	(2,423,123)	(13,309,358)
Interest received on loans receivable	793,634	445,309
Investment income	3,241	7,503
<b>Net cash from investing activities</b>	<b>(1,626,248)</b>	<b>(12,856,546)</b>
<b>Net change in cash and cash equivalents</b>	<b>724,552</b>	<b>(11,601,188)</b>
<b>Cash and cash equivalents at beginning of year</b>		
(includes \$3,256,721 as restricted cash at June 30, 2012)	22,585,603	34,186,791
<b>Cash and cash equivalents at end of year</b>		
(includes \$1,150,000 as restricted cash at June 30, 2013)	<b>\$ 23,310,155</b>	<b>\$ 22,585,603</b>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Operating loss	\$ (71,511,430)	\$ (64,873,898)
<b>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES:</b>		
Changes in assets and liabilities not requiring cash flows:		
Depreciation	42,897,730	40,264,615
Net OPEB obligation	1,230,005	855,625
Changes in assets and liabilities requiring cash flows:		
Convention receivables, net	1,012,454	(1,929,589)
Prepaid assets	(385,589)	(375,232)
Accounts payable and accrued expenses	375,713	(1,166,106)
Deposits and deferred revenues	122,982	1,133,545
Accrued compensated absences	194,344	191,345
<b>Total adjustments</b>	<b>45,447,639</b>	<b>38,974,203</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (26,063,791)</b>	<b>\$ (25,899,695)</b>

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