

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING
February 26, 2019

A meeting of the Finance Committee of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on February 26, 2019 pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Paul MacDonald, Jeff Hirsh, George Nee, Stan Israel and Bernie Buonanno.

Also present were James P. McCarvill, Executive Director, Donald Nadeau, Accountant, Rhode Island Convention Center Authority; Larry Lepore, Beth Johnson, Amanda Wilmouth and Kristin Murphy, Rhode Island Convention Center, Dan Schwartz, PFM/ VETS; Michael Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel and Eileen Smith, recording Secretary.

Mr. Hirsh called the meeting to order at 10:38 PM.

Mr. Hirsh asked for approval of minutes of the January Finance Committee meeting. Upon a motion duly made by **Mr. Israel** and seconded by **Mr. Nee** it was unanimously

VOTED: to approve the minutes of the January Finance Committee meeting.

Mr. Hirsh asked Mr. Schwartz to begin his financial report. Mr. Schwartz reported that the VETS finished the month of January below expectation because we had budgeted five events that did not happen. He said that because Cats was at PPAC they thought shows would move to the VETS. Mr. Schwartz said that events did not cancel they just did not book during the month of January. Mr. Schwartz stated that he expects to make up the number of shows in the coming months. Mr. Schwartz reported that for the month of January net income for the VETS was (\$51,114) to budget and (\$63,007) to the prior year. Mr. Schwartz stated that year to date the VETS net income was (\$23,178) to budget and (\$30,279) to the previous year. **Mr. Hirsh** asked if seasonally, one month is better than another. Mr. Schwartz stated that normally January is not good. He attributes that to people getting their holiday shopping bills. Mr. Schwartz noted April is usually a good month.

Mr. Hirsh asked Mr. Lepore to address the Committee. Mr. Lepore presented the financial statements for the Convention Center and the Dunkin' Donuts Center. Mr. Lepore reported that the Net Income for the Convention Center for the month of January was (\$322,900) to budget and \$29,946 to the prior year. Year to date Net Income was (\$216,902) to budget and (\$1,175,917) to the prior year. Mr. Lepore stated direct event net income did not meet budget expectations. He stated that some budgeted tentative events did not happen. Food & Beverage and parking net income was also under budget. Mr. Lepore noted that the CVS event although held at the end of January will show up on February financial statements.

Mr. Lepore reported that for the month of January Net Income at the Dunk was (\$45,177) to budget and \$210,708 to the prior year. Year to Date Net Income was \$288,066 to budget and \$817,770 to the previous year. Mr. Lepore reported that timing of events makes it difficult to budget for the month. He said that there were 14 budgeted events but only 12 occurred. Mr. Lepore stated that these events will happen in future months. Mr. Lepore reported that the concert business is picking up. He said that Panic at the Disco did very well. Mr. Lepore said that he expects 12,000 for Mumford & Sons. Mr. Lepore said that successful concerts can change the whole year for us. One sell out attracts other artists. Mr. Lepore stated that we need a year where both the Convention Center and the Dunkin' Donuts Center do well. Mr. McCarvill asked about the PC reported drop count for the PC Games. Ms. Johnson said that she had not analyzed that yet. Mr. Lepore noted that we can get the actual number.

Discussion ensued regarding the Sportservice Contract. Mr. McCarvill stated that the P. Bruins are negotiating with the Boston Bruins and Sportservice to protect our hockey team. It was noted that there are several facilities that have lost their affiliations and would like the opportunity to be the home of the Baby B's. **Mr. Nee** said that given what happened in Pawtucket it is essential that we do everything we can to assist the P. Bruins in their negotiations with Boston.

Mr. McCarvill reported on the Authority and the Consolidated Financial Statements. He stated that the Authority's net income for the month of January was \$7,400 to budget and \$18,094 to the prior year. Year to date net income was \$32,676 to budget and (\$237,277) to last year.

The Consolidated net income results for the month of January were (\$411,791) to budget and \$195,741 to the prior year. Year to date consolidated net income was \$80,662 to budget and (\$625,703) to the prior year. Mr. McCarvill noted that we are busy but we are not seeing big numbers.

Mr. Nee inquired about the attendance at flat shows like the Boat Show and Car Show and asked if that was a trend. Mr. Lepore reported a lot of vendors have backed out. He said that a new promoter has taken over the Boat Show and that there were fewer car dealerships represented at the Car Show.

Mr. Crawley presented his report and stated that there have been no issues, all entries have been reviewed and signed. He noted the inclusion of a second quarter event recap worksheet in today's package. **Mr. Hirsh** thanked Mr. Crawley and said that he thinks that this information will be helpful in the future. Mr. McCarvill said that we need to build some history in order for us to analyze the worksheet. **Mr. Hirsh** asked if another column could be added to show attendance. Mr. Crawley said that it can be done. Mr. Crawley also stated that the Dunk does not include and parking revenue because all that goes to the Convention Center. **Mr. Hirsh** said can we add that also. He said that he thinks this will be a good tool.

Mr. McCarvill reported that negotiations with the State regarding RICAP money have been completed. Mr. McCarvill said that we have been cautioned to pay attention to the RICAP web site because there is a potential that we may not get all that was agreed upon. Mr. McCarvill said that on paper we look good for this year. **Mr. MacDonald** said that we have to look out for the savings committee. **Mr. Israel** commented that Mr. DiBiase will be on our side.

Mr. Hirsh asked if there was any other business for the Finance Committee. Hearing none he asked for a motion to adjourn. Upon a motion duly made by **Mr. Israel** and seconded by **Mr. Buonanno** it was unanimously

VOTED: to adjourn at 11:48 PM