

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING
November 19, 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 November 19, 2019 pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Bernie Buonanno, Paul MacDonald, Stan Israel and Patrick Butler.

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

Mr. Buonanno called the meeting to order at 12:10 PM. **Mr. Buonanno** asked for a motion to approve the minutes of the October Finance Committee meeting. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. Israel** it was unanimously

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

Mr. Buonanno asked Mr. Schwartz to address the Committee. Mr. Schwartz reported that October was a challenge. Mr. Schwartz noted that there were cancellations of three events and unexpected losses. Mr. Schwartz stated that October Net Income was (\$65,959) to budget and (\$41,526) to the prior year. Year to date Net Income was (\$55,099) to budget and (\$79,032) to the prior year. Mr. Schwartz noted that the cancellations were Bianca Del Rio, Countess Luann and Family Feud. Mr. Schwartz said that the cancellations also effected Food & Beverage and parking. **Mr. Butler** asked if tickets are given away to school groups in order to fill seats. Mr. Schwartz stated that school districts can't afford to participate and are not allowed to ask parents to contribute for transportation. Mr. Schwartz stated that the Spring is looking positive and the anticipation is that we will come out slightly ahead.

Mr. Lepore presented the financial statements for the Convention Center and the Dunkin' Donuts Center. Mr. Lepore stated that overall it was a good month of October. Mr. Lepore reported that the Net Income for the Convention Center for the month of October was \$173,269 to budget and (\$144,686) to the prior year. Year to date Net Income was \$217,961 to budget and (\$64,092) to the prior year.

Mr. Lepore noted that the ballroom appearance is becoming an issue. The paint is beginning show wear and tear. Mr. McCarvill stated that the ballrooms and meeting rooms are showing their age. Discussions ensued on what should be done to correct the problem and should our plan include expansion. It was agreed that a rapid renovation plan should be initiated. Mr.

McCarvill stated that we may have some opportunities to attract business from the Heinz Center now that it is closing. **Mr. Butler** asked what types of shows might move to the Convention Center. Mr. McCarvill stated that all kinds of events might be interested such as flat or trade shows, etc. He said that we have to convince the Legislature that the time is right for us to increase our capacity. Mr. McCarvill noted that we need an idea of what we want and how we can arrange it. **Mr. Butler** suggested that the Operations and Facilities Committee meet to discuss a plan. Mr. Lepore said that we get someone to give us suggestions.

Mr. Lepore reported that for the month of October Net Income at the Dunk was \$14,799 to budget and (\$120,069) to the prior year. Year to Date Net Income was \$145,405 to budget and (\$199,750) to the previous year. Mr. Lepore stated that twelve concerts were budgeted for the year and as of today we have eleven with some not yet announced or on sale. Mr. Lepore said that he has hopes that PC is successful this season. Mr. Lepore also said that the P. Bruins have seen an uptick in attendance.

Mr. Lepore explained an instance that was encountered when a leak was discovered in a pipe at the goal posts. Mr. Lepore stated that the staff was able to dig out the ice, repair the pipe and replace the ice. **Mr. Butler** noted that the pipes are buried in concrete. Mr. Lepore said that they were able to dig it out around the pipe. He stated that it could have been a nightmare. The pipes are 50 years old. We got lucky.

Mr. Lepore reported that responses to the RFP for the PARQs system were received and three firms are qualified. Mr. Lepore noted that he thinks the Board should make the decision. A lengthy discussion ensued and **Mr. MacDonald** made a motion to have the Chairman, Mr. Lepore and Mr. McCarvill decide the successful candidate. The motion was seconded by **Mr. Isreal**. It was

VOTED: by the majority to have the Chairman, Mr. Lepore and Mr. McCarvill decide successful candidate.

Mr. Butler was opposed.

Mr. McCarvill reported on the Authority and the Consolidated Financial Statements. He stated that the Authority's net income for the month of October was (\$47,510) to budget and (\$55,615) to the prior year. Year to date net income was \$19,931 to budget and (\$102,732) to last year.

The consolidated results for the month of October were \$74,599 to budget and (\$361,897) to the prior year. Year to date Net Income for October is \$328,198 to budget and (\$445,606) to last year.

Mr. Buonanno invited Mr. Crawley to present his report. Mr. Crawley stated that the finance department is working well and all reporting is being reviewed and signed by the appropriate person. Mr. Crawley distributed the monthly accounts receivable listing as of October 30, 2019. Mr. Crawley reported that all accounting functions are running smoothly.

Mr. Buonanno asked if we will make a profit in the new garage in March. Mr. McCarvill answered that as it stands now revenue is projected to be \$2 Million for the year. Discussion ensued regarding parkers.

Mr. Buonanno thanked everyone for their attendance. He 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. Butler** it was unanimously

VOTED: to adjourn at 1:40 PM