

RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING
TUESDAY, DECEMBER 17, 2024 AT 10:30 AM

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 December 17, 2024. The meeting was held in the McCarvill Boardroom, Second Floor, Rhode Island Convention Center, pursuant to notice at the Rhode Island Convention Center, One Sabin Street, Providence, RI and the Amica Mutual Pavilion, One LaSalle Square, Providence, RI.

Board members in attendance were Paul MacDonald, Jeffrey Hirsh, Peter Mancini, and Carol Lombardi

Board members not in attendance were Ernest Almonte, George Nee, Dale Venturini, Oscar Vargas, Diony Garcia, Esq., and Jennifer Goodrich Coia, Esq.

Others participating were Daniel McConaghy, Dana Peltier, and Melissa, O'Connor, Convention Center Authority; Dan Schwartz and Judy Ferreira The VETS; Lawrence Lepore and Christina Montanaro, RI Convention Center and AMP; Michael Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel; and Debra Polselli, Recording Secretary.

1. Call to Order

Mr. Hirsh called the meeting to order at 10:34 a.m.

2. Announcement of Next Meeting Date

Mr. Hirsh stated that the next meeting will take place on Tuesday, January 28, 2025 at 10:30 a.m.

3. Approval of November 2024 Finance Committee Meeting Minutes

Mr. Hirsh requested a motion to approve the November 2024 Finance Committee Meeting Minutes. Upon a motion from **Mr. MacDonald**, which was seconded by **Mr. Mancini**, it was unanimously

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

4. Finance (Months of September & October 2024

a. The Vets – Dan Schwartz

Mr. Schwartz reviewed the September 2024 Income Statement, Executive Summary, and Event Listing (see attached). Mr. Schwartz reported that food and beverage and parking continues to be strong with great increases and both better than budget. Mr. McConaghy commented about the podcast that was cancelled but understands they are looking to do more, and another is already scheduled. Mr. Schwartz replied that three podcasts have been confirmed since then with one that happened in December and two more that will take place in the Spring. Mr. Schwartz explained that offers are in for additional events and that they come down to the audience. Mr. McConaghy commented that two years ago they were not doing these and now we have many and they are successful bookings with a simple setup. Mr. Schwartz replied that they are filmed, and a lot of people listen to podcasts countrywide. Mr. Schwartz reported that September's bottom line put them back where they expected to be, and an additional event was picked up in October - Tedeschi Trucks Band. He reported that this was an exciting show for The Vets to secure since there were three (3) sold out shows in Boston and with there being no availability they convinced the agent to try Providence. With the show selling out it allowed them to have agents see The Vets as a viable market for future shows. Mr. Schwartz then mentioned the Lil Rhody Laugh Riot, which will be discussed in further detail at the Marketing Committee meeting. He stated that people are happy about it, and everyone worked hard to get this event off the ground. Mr. McConaghy commented that there is a lot going on in Providence in March 2025 that is exciting for the City and State. **Mr. Hirsh** questioned the Shannon School of Dance event and if we moved the event from a weekend to a weekday, and Mr. Schwartz replied that it is a new event and typically they do not host dance events in October, but they needed a Fall event, and The Vets was available. With there being no questions for Mr. Schwartz, Mr. Lepore addressed the Committee for his report.

- b. Rhode Island Convention Center – Lawrence Lepore
- c. Amica Mutual Pavilion – Lawrence Lepore
- d. Innovation District Garage – Lawrence Lepore

Mr. Lepore reviewed the September 2024 Income Statements, Executive Summaries, and Event Listing (see attached). He reported that coming out of the summer is typically a slow start, but they still had a lot of events and continue to stay busy at the Convention Center. He further stated that there will be a swing in the positive direction once through September and October and things will pick up after the first of the year and we will be back on track even with construction taking place at the Center. Mr. Lepore stated that the same holds true for the AMP before the hockey and basketball seasons kick off. He stated that the AMP spends the month of September preparing for the upcoming seasons. Mr. McConaghy commented that it was the first time the Boston Bruins were back in the building in awhile and Mr. Lepore agreed that we were long overdue for a Black and Gold game. **Mr. Hirsh** questioned what expenses fall into overhead at the Convention Center, and Mr. Lepore replied utilities, service contracts, and expenses that do not fall under capital projects. He further commented that there will be deeper dive into this line item. Mr. McConaghy stated that there are some unforeseen expenses that were not accounted for when the budget was put together for this fiscal year. Mr. Lepore reported that the IDG continues to operate extremely well, and they have had good meetings with people interested in some commercial space. Mr. Lepore then reviewed the October 2024 Income Statements, Executive Summaries, and Event Listing (see attached). Mr. McConaghy commented that two (2) events did not happen that were budgeted at the Convention Center, and Mr. Lepore stated that one of the events is coming the following year and the other event was a “ghost” event that we hoped to get but did not. He reported that RI Comic Con, which took place in both the Convention Center and the AMP did well again this year. He reported that the loss associated with the solar project at the IDG being terminated went against the month of October on the IDG’s financials. Mr. McConaghy stated that the garage is still going to do well and assured the members that we are going to be okay.

e. Authority and Consolidated – Dan McConaghy

Mr. McConaghy reported on the Authority and Consolidated financials and stated that the month of September was pretty steady with expenses and income, with a similar story for the month of October. He stated that the Authority is \$15k under budget, which was established a year and half ago. He stated that the Authority is working on some forecasting complications processes that need to be simplified. He further stated that there are things that need to be looked at more closely (i.e. allocations, costs, better computer software to operate more efficiently). Mr. Lepore commented that we historically budget 3.5% raises for labor and it looks like those numbers have to change in order for us to compete within the market. He stated that we need to look at doing things differently operationally to be more efficient. He stated that if you want capable people, you need to increase the rates. **Mr. MacDonald** commented that unions are in competition too and we need to remain competitive. Mr. Lepore further commented that we need to be more creative. He cited an example of never charging a rent for the ballrooms in the past, but now we need to make some changes. **Mr. Hirsh** agreed that we should charge rent, especially in light of money being spent to renovate the ballrooms. Mr. McConaghy commented that during a recent walkthrough at the Convention Center, we were asked about the possibility of renting out the bar on Level 3, which means there is interest in the changes we are currently making to our existing space. **Mr. MacDonald** asked how many union contracts we have and what contracts are expiring. Mr. Lepore replied that the only contract that has been completed is the stagehands. He stated that because of the change to the management company, we postponed negotiations, but we know that we have to negotiate well before these contracts expire. **Mr. MacDonald** agreed and said the longer negotiations are dragged out it can become a problem and suggests moving as fast as possible to get negotiations done in a timely manner. With there being no further questions, Mr. Crawley addressed the Committee for his Consultant’s Report.

5. Consultant’s Report (Months September & October 2024) – Mike Crawley

- a. Statement of Net Position
- b. Advanced Deposit Funding
- c. Accounts Payable Aging
- d. Accounts Receivable Aging

Mr. Crawley reviewed the balance sheets, advance deposits, and aging reports highlighting the consistencies and ratios. Mr. McConaghy reported that the \$54k contract payment from OPC for parking is coming and should be received any day now. With there being no questions, Mr. McConaghy addressed the Committee for the Executive Director’s Report.

6. Executive Director's Report

Mr. McConaghy stated that while he initially deferred his time to discuss Items 4 and 5, to maintain a timely meeting, he reported that he is working with Ms. Cohen and Mr. Sullivan on an arrangement with Providence College for their Friar Family Collective initiative with a portion of parking fees for all Providence College Basketball games being donated to the Friar Family Collective. Mr. McConaghy stated that he is working with Attorney Leach on a parking agreement with the future tenant of the Hasbro building, which should be done shortly. He reported that the only adjustment they asked for is a "ramp up" period to get all their employees in. He stated that they are going to pay us by the hour until October 1 and then guarantee over 200 spaces. He further reported that they added one (1) year and two (2) months to their lease. **Mr. Hirsh** asked if there were any further questions or comments, and **Mr. MacDonald** stated that he was present at last month's meeting and asked that the minutes be revised to reflect his presence.

7. Adjournment

Mr. Hirsh asked for a motion to adjourn. Upon a motion duly made by **Mr. Mancini**, which was seconded by **Mr. MacDonald**, it was unanimously

VOTED: to adjourn at 11:20 a.m.