

THE RHODE ISLAND CONVENTION CENTER AUTHORITY  
FINANCE COMMITTEE MEETING

July 25, 2023

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 July 25, 2023. 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 02903 and the AMP, One LaSalle Square, Providence, Rhode Island.

Board members participating were Jeffrey Hirsh, Ernest Almonte, Peter Mancini, Paul MacDonald and Jennifer Goodrich Coia.

Also in attendance were Dan McConaghy, Dana Peltier, Linda Maroun and Melissa Lasko O'Connor, RI Convention Center Authority; Dan Schwartz, Vets; Larry Lepore, Rhode Island Convention Center and AMP; Michael Crawley, Citrin Cooperman and Bruce Leach, Legal Counsel.

Mr. Hirsh called the meeting to order at 10:40 AM. He asked for approval of the June Finance Committee meeting minutes. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Mancini it was unanimously

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

Mr. Hirsh announced that the next meeting date would be September 26, 2023.

Mr. Hirsh asked Mr. Schwartz to report on the year-end financial statements of the Vets. Mr. Schwartz reported that FY23 saw 20 shows performed at risk with 19 experiencing high margins. Very successful in that regard. Margins for F&B were at an all-time high due to increased sales and higher prices. Indirect expenses were slightly higher due to incentives earned by PFM. The Vets experienced 10 sold out events in FY23 – this has never happened before. FY24 is setting up to be another outstanding year with 24 events or shows already committed. This pace is ahead of previous years. Mr. Mancini asked if the road construction along Route 95 was having an impact logistically. Mr. Schwartz responded that the contractor has been very cooperative and has minimized any impacts. Mr. Almonte commented on the increased amount of indirect expense versus budget. Mr. McConaghy and Mr. Schwartz described the timing and impact of the new agreement reached with PFM in August of 2022. Mr. Almonte commented that venue should work towards a breakeven strategy going forward. (Financial statement attached)

Mr. Lepore reported on the year-end June financial statements for the Convention Center, AMP and Clifford Street Garage. Mr. Lepore reported that the RICC experienced an incredible month of June which positively impacted the year-end results. Once again, F&B results were

outstanding due to several events in the month and throughout the year in general. Parking results were not as bad as originally anticipated. Monthly parkers were down as a result of local businesses not being back full time. However, with increased attendance at the RICC and AMP, daily and transient parking was up a great deal. (Financial statement attached)

Mr. Lepore reported that only one event was held in the AMP in June due to the closure for the roof replacement project. The overall year-end results were remarkable. This record profitability was driven by several highly successful concerts, PC basketball and increased attendance for the Providence Bruins. Capital investments in the building are starting to pay off. The band, "One Republic", will be performing at PC's midnight madness event on September 30<sup>th</sup>. This will be a big success for PC. (Financial statement attached)

The Clifford Street Garage continues to perform at a high level. Mr. MacDonald asked if we accepted credit cards only. It was determined that the facility is not deemed retail, so are able to accept credit cards only. (Financial statement attached)

Mr. McConaghy reported on the Authority and the consolidated financial statements. Cash positions continue to remain strong. Interest income on FY23 was outstanding as rates have increased. The Authority deferred the hiring of certain finance staff which also had a positive impact on controlling expenses. From a consolidated standpoint, the Authority saw an increase in revenues over expenses of \$2.78m.

Mr. Crawley presented the June Year-End Statement of Net Position, Advanced Deposit Funding, Accounts Payable Aging and Accounts Receivable. Mr. Crawley reported on the impacts of the ERTC and the settlement with the State for the proceeds of the Clifford Street Garage. The current ratio remains remarkably strong at 3.33. All other measurements such as DPO, Advanced Deposit Funding and A/R finished the year in very healthy positions. (Financial statements attached)

Mr. McConaghy presented two topics for comment and discussion. First, he presented on the current work activities of the Finance team at the Authority. They are all incredibly busy with the year-end closing, embarking on the FY23 audit, prepping for the FY25 proposed budget as well as standing up the new ERP system (NetSuite). He thanked them for their dedication, hard work, and remarkable performance. Secondly, Mr. McConaghy presented Amendment #3 of the Authority's agreement with the Department of Administration for the distribution of RICAP funds for FY24. He said funds could be expected sometime in August in the amount of \$16.5m.

Mr. Hirsh asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Mancini and seconded by Mr. MacDonald it was voted unanimously:

VOTED: to adjourn at 11:45 AM