

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING
THURSDAY, JULY 31, 2025 AT 11:00 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 July 31, 2025. 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 in attendance were Jeffrey Hirsh, Peter Mancini, Dale Venturini, Paul MacDonald and Carol Lombardi. Board members unable to attend included Ernie Almonte, George Nee, Oscar Vargas, Diony Garcia, Esq., Jennifer Goodrich Coia, Esq. and Sarah Bratko, Esq.

Also attending were Daniel McConaghy, Dana Peltier, Melissa O'Connor, Linda Maroun and Trish Verrecchia, the Authority; Judy Ferreira, The Vets; Cheryl Cohen, Becca Ponder Larry Lepore, RI Convention Center and AMP; Michael Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel.

1. Mr. Hirsh called the meeting to order at 11:03 AM.
2. Mr. Hirsh announced the next meeting will take place on Thursday, Sept. 25, 2025, at 11:00 AM.
3. Approval of June 2025 Finance Committee Meeting Minutes

Mr. Hirsh requested a motion to approve the June 2025 Finance meeting minutes. Upon a motion duly made by Mr. MacDonald, which was seconded by Mr. Mancini, it was unanimously

VOTED: to approve the minutes of the June 2025 Finance Committee meeting

4. Finance Reports – June 2025 Year End (Vets, RICC, AMP, IDG, Authority & Consolidated) – See attached for more details.

Judy Ferreira reviewed the financials for The Vets while Dan Schwartz was attending a Conference. Ms. Ferreira stated that total revenues for the month of June were \$466,774 which was better than budgeted. Direct expenses were \$201,665 which were below budget. Indirect expenses were over budget by \$100K due to year end accruals such as pension, vacation and year-end payroll. Operating income was \$36,074 which was better than budgeted by \$28k. FYE operating income was a \$95,711 loss.

Mr. Lepore reported on the RI Convention Center stating that it was a challenging year. Total revenue for June is better than budgeted but direct expenses were significantly over budget. Some of these challenges included changing management along with F&B problems. Some rebates were given due to construction and there were also some changes made in staffing. Mr. Hirsh asked Mr. Lepore what the biggest issues were. Mr. Lepore stated that scheduling of labor was a big problem. There was more overtime than there should have been. 3rd shift was a problem, but we did away with that. There are many things that will need to be corrected. We changed staffing management, but it was too late in the season to make a difference. We also implemented a new scheduling platform that will help us with real-time reporting to streamline operations and increase efficiency. Ms. Venturini asked what role the new management team had when it came to these problems. Did they add to them? Mr. McConaghy stated that we gave them the latitude in F&B to structure things the way they thought they should be structured. We started to question this in March. Since then, the general manager has

been replaced. The number two person is gone in F&B and will not be replaced. Mr. Lepore stated that the directors will be involved more so we can get a better understanding of what's achievable. This should help us tremendously. Overall, the month of June was a busy month.

Mr. Lepore reported on the AMP stating that there was an operating loss of \$281,147 in June but FYE is showing a total operating income of \$513,820. Allocation problems resulted in Indirect expenses being high. Event labor needs to go towards direct expenses not indirect expenses. One of the challenges was making sure that the finance department received the correct numbers. These issues were resolved late in the season but should make a difference moving forward.

Mr. Lepore moved onto the Innovation District Garage and stated once again how well it continues to do. YTD is \$2,335,840 and was budgeted at \$2,136,414.

Mr. Hirsh asked Mr. Lepore how moral was in both buildings. Mr. Lepore stated we need to do better with compensation and treating people equally. Ms. Venturini mentioned having someone from an outside firm help with this. Mr. Lepore noted that salaries and hourly wages are in-line within the industry. One of the issues is that it's seasonal work.

Mr. McConaghy reported on the Authority and Consolidated stating that the YTD operating income was \$317,301 vs. \$1,777,024 the prior year. Some of this was due to expenses incurred at the Convention Center. The Authority operated at a profit at the end of the year.

5. Consultant's Report – June 2025 Year End (Mike Crawley-Citrin Cooperman) – See attached

Mr. Crawley mentioned that as of June 30 we had a healthy balance sheet as it was for the whole year. The current ratio metrics continue to be strong. All three buildings are consistent in Advanced Deposit Funding. Accounts Payable and Accounts Receivable are also consistent. TruAccess still owes us \$50k and Mr. McConaghy is in negotiations to resolve this. One other outstanding receivable is \$11k due from DCYF.

6. Executive Director's Report – Mr. McConaghy

a. Performance Results from FY25

Mr. McConaghy stated that the FY 2025-year end highlights is data received and analyzed from our blue & yellow's and event details. Gross revenue, gross margin, economic impact and direct spend grew between 4-5 % from last year. Parking revenue grew 11.5% (Tim has done a great job and changes in technology have also contributed to this growth). Food & Beverage revenue grew 11% (mainly driven by NCAA event). Event days were down a little due to the types of conventions and attendance was down 2% mainly from PC games. Mr. McConaghy reviewed some highlights for each building starting with RICC. He stated conventions were down but attendance was the same due to the size of the conventions being larger. Sporting events were up and Trade shows also did well, especially JLC. The AMP had one more concert this year. They were all great performances. PC attendance was down driven by late night Wed. night games and the team was not doing well. Graduation attendance was down quite a bit this year compared to last year. Over at The Vets they had the same number of events as last year. Comedy was down in gross margins mainly due to start up costs of Lil Rhody Laugh Riot. Overall, comedy was great. Dance ended up making more in gross margins even though there were less shows, this was due to Mr. Schwartz moving many of them to mid-week. The philharmonic attendance has finally gone up since the pandemic.

b. Discuss Omni Hallway ownership

Mr. McConaghy stated that the Omni Hallway needs some renovations. Omni hotel is responsible for keeping up with the hallway and making it presentable because they own it. Because of the

easement we have the right to use the space. However, Omni does not want to cover the renovation costs. That leaves us with two options: take it back or pay for renovations to a property we don't own. It would cost approximately \$300k to replace doors, carpeting, fix walls, ceilings and replace lighting. We need to decide whether we want to proceed. Mr. McConaghy is seeking the Board's guidance on whether to move forward with the renovations.

c. Review and Consideration of OVG Amendment #1 related to F&B Finances

Mr. McConaghy began by stating that the 1st Amendment is moving back F&B financial operations from OVG to the Authority. Mr. Leach prepared the amendment and sent to OVG to review and sign, which they did right away. Mr. McConaghy is seeking approval from the recommendation of the Finance committee to formalize this and move F&B back to the Authority. Upon a motion duly made by Mr. Hirsh, which was seconded by Mr. MacDonald, it was unanimously

VOTED: move the financial management of F&B to the Authority.

7. Adjournment

With there being no further business to be discussed by the Finance Committee, Mr. Hirsh asked for a motion to adjourn. Upon a motion duly made by Ms. Venturini, which was seconded by Mr. Hirsh, it was unanimously

VOTED: to adjourn at 12:14 PM