

THE RHODE ISLAND CONVENTION CENTER AUTHORITY FINANCE
COMMITTEE MEETING
TUESDAY, MARCH 25 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 March 25, 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 Ernie Almonte, Peter Mancini, Jeffrey Hirsh and Dale Venturini. Board members unable to attend included Paul MacDonald, Oscar Vargas, Diony Garcia, Esq., George Nee, Jennifer Goodrich Coia, Esq. and Carol Lombardi.

Also attending were Daniel McConaghy, Dana Peltier, Melissa O'Connor and Trish Verrecchia, the Authority; Dan Schwartz, The Vets; Christina Montanaro and Becca Ponder, RI Convention Center and AMP; Michael Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel; Rebecca Bolton and Marissa Dionne, Oakview Group.

1. Mr. Hirsh called the meeting to order at 11:05 AM.
2. Mr. Hirsh announced the next meeting will take place on Tuesday, April 22, 2025, at 10:30 AM.
3. Approval of February 2025 Finance Committee Meeting Minutes

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

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

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

Mr. Schwartz reported on the Vets stating that February was down by \$109k. The month was slower than anticipated. One of the Dance competitions began at the end of the month and ended in March where it will be recorded. Another dance competition was not confirmed. Direct expenses were lower due to less activity. Indirect expenses were \$2k higher due to increases in payroll taxes and benefits. On a brighter note the RI Philharmonic is picking up due to the announcement of the new conductor, Ruth Reinhardt. She starts in September and brings new energy with her. The board members suggested we work on getting her to attend our Board meeting. Ms. Venturini asked how we can get the younger crowd (30-50) to attend. Mr. Schwartz mentioned that years ago the Philharmonic had shorter shows to attract crowds that didn't want to sit for 3 hours. Mr. Almonte asked Mr. Schwartz how we formulate the budget. He stated it was based on actual planned events with historical averages. The actual timing of events can sway the results for any particular month. The team is preparing for Lil Rhody Laugh Riot, which starts this Thursday. All pre-shows are currently sold out.

Mr. McConaghy will be reporting on the RICC, AMP and IDG for Mr. Lepore. Mr. McConaghy reported on the RI Convention Center stating that February was an improvement over January. There was a loss of 266k due to a few less events and cost reduction items in progress. There was an improvement in Food and Beverage and parking in January and February. On a positive note, there was also 100k less on indirect expenses. The building was busy in February, but some events were not as well received. The RV show is one of them. They were very low in F&B sales. The Bar Exam is not a revenue generator, and the building must be quiet during this time. This does not help when we have construction work to be done. Overhead was high and included a utility bill that was 30k-40k higher than January.

Mr. McConaghy reported on the AMP stating we lost 60k in February due to events. We had 3 Providence College basketball games and two of those games were on Wednesday night at 8:00. Attendance is down on these late games and Food & Beverage is also affected. Monster Jam was down 20% in attendance. In the past this show has been well received. We were also at risk of losing rebate revenue for the show. Mr. Abate was able to keep that for us, which was a total of 172k. Mr. McConaghy mentioned how phenomenal NCAA Basketball event was, even The President of NCAA basketball, Charlie Baker, was impressed. Ms. Venturini suggested we do something for the team/staff. The event was such a huge success and would not have happened without them.

Mr. McConaghy moved onto the Innovation District Garage and stated once again how well it continues to do. Interest in parking at the garage is going up.

Mr. McConaghy reported on the Authority and Consolidated stating it was a steady and a typical month with nothing unusual to report.

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

Mr. Crawley reviewed the Balance Sheet and noted there was nothing new to report. The current ratio metrics continue to be strong. This is trending down due to the operating losses over the last few months. All three buildings are consistent in Advanced Deposit Funding. Accounts Payable and Accounts Receivable are also consistent.

6. Executive Director's Report – Mr. McConaghy

a. Update on Discussions Regarding Indirect Costs

Mr. McConaghy reviewed Indirect cost overruns. These costs are labor driven. There was a one-time separation cost for Kathy Masino and another one-time cost of 250k at IDG. A meeting was held regarding labor and reaching an agreement. Working on eliminating 3rd shift at RICC since there is not a need for this. There were some performance issues with certain individuals. They were told they have a month to clean things up. We were experiencing a lot of inefficiencies occurring from one shift to the next. This was causing the second shift to come in and redo their work. Another issue that was brought up in last month's meeting was with F&B costs being so high. A meeting was held with Charles Lawrence and Christina Montanaro, Mr. Hirsh also joined that meeting. F&B was working with 3 chefs instead of 2, which is what they are accustomed to. They are now back down to 2. They will be working better with finance to identify any issues and concerns. They are also recommending taking staff that are not busy to other OVG venues around the country. They are also working on the cost of goods. Mr. Hirsh complimented Ms. Montanaro for her hard work. The biggest problem is managing the people. Things have gotten out of control with overtime, punching in and out, overstaffing, checking timesheets, etc. Ms. Venturini is happy we are addressing this now instead of 2 years from now. Mr. Hirsh is also happy that people are getting written up and held accountable. Overall it was a great meeting.

b. Follow up on Healthcare Benefits for OVG Employees

Mr. McConaghy mentioned that another way they are going to help reduce indirect costs is to move back to Blue Cross Blue Shield. Mr. Abate helped move 26 OVG employees from OVG's existing plan back to Blue Cross Blue Shield. The employees will pay 85/15 split and out of pocket will be the same. Benefits are much better and will save us 95k annually. This should be in effect May 1st.

7. Adjournment

Mr. Hirsh asked for a motion to adjourn. Upon a motion duly made by Mr. Almonte, which was seconded by Ms. Venturini, it was unanimously

VOTED: to adjourn at 11:50 AM