

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING

May 23, 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 May 23, 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, Peter Mancini, Paul MacDonald, Steve Iannazzi and Edward Feldstein.

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. Board member Ernie Almonte listened to the meeting via phone but did not participate or engage.

Mr. Hirsh called the meeting to order at 10:33 AM. He asked for approval of the April Finance Committee meeting minutes. Upon a motion duly made by Mr. Mancini and seconded by Mr. Feldstein it was unanimously

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

Mr. Hirsh announced that the next meeting date would be June 27, 2023.

Mr. Hirsh asked Mr. Schwartz to report on the financial statements of the Vets (attached). Mr. Schwartz reported that April was a very positive month with a multitude of performances including Bluey's Big Play, Brit Floyd and Get the Led Out, to name a few. Bluey's Big Play was particularly successful netting \$142k over four performances. F&B was likely the highest month for net income since PFM has been operating the building. Mr. Hirsh asked what Mr. Schwartz thought the months of May and June looked like. Mr. Schwartz responded that they would continue to be strong. (Financial Statements attached)

Mr. Lepore reported on the April financial statements for the Convention Center, AMP and Clifford Street Garage. Mr. Lepore stated that the Convention Center also had a very strong month with 48 events in 30 days. There were several very good events including the Home Show, Gordon Food Service, RI Rumble and a handful of sporting events. Mr. Lepore stated that he expects the end of year results to improve over the current projected Operating Income. Mr. Hirsh commented that parking income has improved. Mr. Lepore explained that events at the RICC and Amp are helping there, but dailies and monthlies are still significantly down. (Financial statement attached)

Mr. Lepore reported that in all his years at the AMP, he does not recall a year as successful as FY23 with profits expected to exceed \$1m. April saw great success with Kevin Hart and New Edition. The P-Bruins finished up their season successfully. Mr. Lepore commented on the strong success of F&B for the year. May projects to be a good month as well with the 50th Anniversary Gala on May 26th and Pitbull performing. (Financial statements attached)

Clifford Street Garage continues to be a success. Daily parkers are up and projected profits should approach \$2.1m. The opening of the Dunkin Donuts retail space has stalled slightly due to delivery issues with ice machines and warming ovens. Expect a July opening. (Financial statements attached)

Mr. McConaghy reported on the Authority and the consolidated financial statements. Income for the Authority was up due to our arrangement with Extenet. The Authority recognized some added expense due to the expected incentives earned by ASM Global for the performance of the AMP. Mr. McConaghy said that all in all this is a positive report with Consolidated results showing a projected operating profit of \$1.7m.

Mr. Crawley presented the April Statement of Net Position, Advanced Deposit Funding, Accounts Payable Aging and Accounts Receivable. Mr. Crawley pointed out that the net position of the Authority is now positive – the first time he has seen that in some 15 years. The Authority's current ratio is 2.7 which means we are in a strong position to pay our bills. All other measurements such as DPO, Advanced Deposit Funding and A/R continue to be strong. Discussion ensued regarding energy credits from the wind turbine lease. It was explained that we are oversubscribed and may seek a reduction from the provider. (Financial statements attached)

Mr. McConaghy along with Mr. Crawley presented the revised FY24 budget for approval. (FY24 Budget attached) Adjustments have been made to attribute cost more accurately to the various operating venues within the complex. Revenues, direct expense, and indirect expenses have all been reviewed for general accuracy and consistency with recent experience now that the recovery from the pandemic is well underway. General discussion ensued which culminated in a motion to accept the revised FY24 budget and seconded. A vote was held, and all Commissioners present voted unanimously:

VOTED: to recommend to the Board approval of the revised FY24 budget.

Mr. McConaghy then presented an update of the AMP Roof GMP. He explained that Dimeo's crews mobilized on May 22nd and work would begin in earnest on June 5th right after the last graduation event in the building. The roof should be substantially complete by September 1st in time to make ice on or about September 15th. Final completion is anticipated to be October 20th. The current GMP as presented by Dimeo is \$7.7m which is only \$200k over initial estimates from two years ago.

Mr. McConaghy and Mr. Lepore presented the results of the Authority's recent efforts to procure a partner for the Clifford Street Garage solar canopy. The Authority engaged Best Practice Energy to help support the technical aspects of the RFP. The RFP was issued March 1st and two

firms responded on April 28th – Revity Energy from Rhode Island and Kearsarge Energy from Boston. Mr. McConaghy explained that the selection committee recommends awarding the partnership to Revity Energy due to the responsiveness of their proposal to the Authority’s preferred ownership structure, their ability to help us navigate the local permitting challenges along with managing the local legislation on maximizing grants, etc. There is required due diligence that Revity will help the Authority navigate in the coming weeks. As a result, the committee is seeking approval to commence with a \$35k effort with Revity with the expectation that a full agreement would be entered into in the coming months. A motion was made to recommend to the Board that the Authority proceed with engaging Revity Energy as our solar partner at the Clifford Street Garage and seconded. A vote was held, and all Commissioners voted unanimously:

VOTED: to recommend to the Board Revity Energy as the Authority’s solar partner for the Clifford Street Garage.

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. Iannazzi it was voted unanimously:

VOTED: to adjourn at 11:28 AM