

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
FINANCE COMMITTEE MEETING
TUESDAY, FEBRUARY 27, 2024

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 February 27, 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 02903 and the AMP, One LaSalle Square, Providence, Rhode Island.

Participating Board Members: Paul MacDonald and Peter Mancini – **A QUORUM WAS NOT PRESENT FOR THE FINANCE COMMITTEE**. Therefore, no votes were taken.

Also attending: Dan McConaghy, Dana Peltier, Linda Maroun, Melissa Lasko-O'Connor and Patricia Verrecchia - RI Convention Center Authority; Dan Schwartz -The Vets; Larry Lepore - Rhode Island Convention Center and AMP; Michael Crawley -Citrin Cooperman; Bruce Leach - Legal Counsel; Judy Ferreira – PFM.

Mr. MacDonald called the meeting to order at 10:30 AM. He announced that the next meeting is scheduled for Tuesday, March 26, 2024, at 12:00PM. Minutes will not be approved today due to the absence of a quorum.

Mr. McConaghy noted that the reason for the late start on March 26 is due to several votes needing to be reviewed by both committees, therefore the Finance and Marketing meetings will be combined. During the Board meeting on Thursday, March 28 these votes will be reviewed. Most of the meeting will be focused on reviewing submittals for management services.

Mr. MacDonald then invited Mr. Schwartz to report on the January results of the Vets. Mr. Schwartz reported that January is normally a slow month. Event income was better than budgeted due to an extra concert and a Blue Cross Blue Shield event. There were some large expenses that put us slightly over budget. One of these was the legal fees for the 3-year stagehand contract.

Mr. McConaghy noted that an extra column was added to the financials showing the rolling forecast for the year with what is budgeted for all facilities. Mr. Almonte suggested we add this to the financials during last month meeting. (see attached financials)

Mr. MacDonald invited Mr. Lepore to report on RICC, AMP and IDG. Mr. Lepore reported that we have a loss at RICC due to Parking and Food and Beverage numbers. Parking's loss of the URI and PC contract is now showing the 600K loss from last

month. Labor has been challenging because it is difficult to get people to work, incurring OT due to absenteeism and finding quality people. If someone is not experienced it takes more time to get the job done. Negotiations are currently in progress with laborers. Food and Beverage is another challenge that will need to be addressed. We need to look at doing things differently to be successful. The number of events remain the same at RICC, but attendance has gone down. We used to have 1 major event every year from large companies such as Hasbro, Citizens, Amgen, CVS, and FM Global. These companies brought in at least \$500K to \$1 million of profit. These companies are all gone, not what it used to be. This month's largest events were volleyball and cheerleading. These events did well in parking. Volleyball brought in \$27K in parking. Mr. Lepore suggested giving the board members a comparison on the events that are brought in by CVB and RICC. Show the board members which events are profitable and what ones are not. (see attached financials)

Mr. Lepore reported on the AMP stating it is showing a loss, but this will turn around. This is driven by month and type of event. A concert that was scheduled in January moved to February. Even with the loss, Food & Beverage did better. Patrons at basketball and hockey spend money on Food & Beverage. It is much easier to control labor at the AMP because the events are happening one at a time. The IDG is looking to do about 250K better than originally budgeted. The IDG is doing great. (see attached financials)

Mr. McConaghy presented the consolidated financials stating that this month was tighter due to the issues Mr. Lepore spoke about. The overall forecast shows us as an entity making 250K for FY 2024. (see attached financials)

Mr. McConaghy invited Mr. Crawley to report on the January financials. Mr. Crawley stated that we are looking at yet another strong cash position for the month. We are well-funded at all facilities for advanced deposits.

Mr. McConaghy proceeded with an update on the Audit Services RFP. The current Auditing firm (CLA) has worked with us for over 3 years, and we are required to go back to the market. The auditing services RFP was posted on Feb. 9. We sent out the RFP to 4 firms and were asked to send it to 3 other larger firms as well. A few firms have already passed. Proposals are due March 8.

The meeting adjourned at 11:15am.