

THE RHODE ISLAND CONVENTION CENTER AUTHORITY  
FINANCE COMMITTEE MEETING

January 24, 2023

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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 January 24, 2023. The meeting was held in the James 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 and Patrick Butler.

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; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Hirsh called the meeting to order at 10:35 AM. He asked for approval of the December Finance Committee meeting minutes. Upon a motion duly made by Mr. Butler and seconded by Mr. Mancini it was unanimously

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

Mr. Hirsh announced that the next meeting date would be February 21, 2023.

Mr. Hirsh asked Mr. Schwartz to report on the financial statements of the VETS. Mr. Schwartz reported that there have been some great events at the VETS. He stated that event income is up as a result of Straight No Chaser selling out and better than budgeted sales for the Nutcracker. Mr. Schwartz commented that the scenery for the Nutcracker has been remade to fit the stage at the VETS and it seems to be the perfect venue for the ballet. Mr. Schwartz noted that indirect expenses were higher due to a rate increase in insurance premiums. (Financial Statements attached)

Mr. Lepore reported on the December financial statements for the Convention Center, AMP and Clifford Street Garage. Mr. Lepore stated that in December there were a number of events that we anticipated would do better than they did. He noted that there has been a significant increase in labor costs because of overtime needed to staff the building and food and beverage costs increasing. Mr. Lepore stated that finance and operations are working together to determine costs of an event. He stated that event allocation costing will aid in the determination of profitability of an event. Mr. Lepore reported that monthly parking continues to be down because employees are still working from home. Event and daily parking are up.

Mr. Lepore reported that Disney on Ice took place in December but did not conclude until January and will be reported in the January financial statements. Mr. Lepore noted that there were two more Providence Bruins games and one Providence College game that were budgeted but did not occur. He said that they will take place in the coming months. Mr. Lepore reported that we are having problems with PC and their complaints regarding the basketball floor. Mr. Lepore noted that we have brought in a dehumidification system to help with building issues. He stated that a significant amount of labor has been spent trying to fix the subfloor. Lengthy discussion ensued regarding remedies to the condensation issues. Mr. MacDonald asked if other arenas are having the same problems. Mr. Lepore said that they are. Mr. McConaghy said that the roof replacement and a new subfloor will help to alleviate the problems. Mr. Lepore stated that because of the age of the subfloor and global warming the building is not operating as it did in the past. Other adjustments have been made managing building and ice temperatures to alleviate the condensation issue.

Mr. Lepore continued and stated that Clifford Street continues to be a great story. He stated that daily parking is up which leads him to believe that court parking is up. Mr. Lepore reported that the Dunkin' store will open shortly.

Mr. McConaghy reported on the Authority and the consolidated financial statements. He stated that the SFRF operating subsidy is being used for several important projects. He noted that the income has been recognized.

McConaghy reported that the amendment to the ASM/SMG contract has been signed.

Mr. Crawley presented the December Statement of Net Position, Advanced Deposit Funding, Accounts Payable Aging and Accounts Receivable. Mr. Crawley noted the amount on the balance sheet recorded as income earmarked for capital projects. A discussion ensued regarding advanced deposit funding.

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

VOTED: to adjourn at 11:30 AM