

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY
BOARD OF COMMISSIONERS
FINANCE COMMITTEE MEETING**

March 29, 2005

A meeting of the Finance Committee of the Rhode Island Convention Center Authority Board of Commissioners was held on March 29, 2005 at 3:00 p.m. pursuant to notice at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island

Board members present were Committee Chairman, Joe Judge, Commissioners Jerry Massa, Paul MacDonald, Jeff Hirsh, Dale Venturini and David A. Duffy.

Also in attendance, Jim McCarvill and Theodore Przybyla, RICCA; Rob Morgan, Jeff Hartell and Casey Crowley, Westin Providence; Tim Muldoon, Debbie Tuton and Doreen Bolster SMG/RICC; Bruce Leach, Legal Counsel and Norm Benoit, Bond Counsel.

Chairman Judge called the meeting to order at 3:00 P.M.

The committee was advised the next meeting would be held on April 26th at 3:00 P.M.

Noting the minutes of the previous meeting had been distributed; Chairman Judge entertained a motion to approve the minutes as distributed.

Upon a motion duly made by Mr. Massa and seconded by Mr. MacDonald it was unanimously

VOTED: to approve the minutes as distributed.

Chairman Judge recognized Mr. Jeff Hartel, Controller of the Westin Hotel, who proceeded to review the distributed financial information. Mr. Hartel advised the committee that the February operating results were slightly down when compared to budget and about the same as February of last year. He further noted that March projections are not much better, with last minute pickup limited.

Robert Morgan, Westin General Manager, noted that two pieces of business have been canceled and moved to competing properties because of the pending sale. Mr. Morgan further noted that the Easter Holiday will impact March results. Chairman Massa asked Mr. Morgan to elaborate on the loss of business. Conversations ensued regarding the concern within the industry pertaining to the hotel sale. Chairman Duffy indicated that it was understandable, but he was confident that the Procaccianti Group would respond appropriately. Commissioner MacDonald voiced his concern that the discussion relating to the Procaccianti Group is inappropriate without representatives of the company being present to offer their comments. The committee agreed to move forward with the meeting.

Chairman Judge recognized Tim Muldoon, General Manager of the Convention Center, who proceeded to brief the committee on the distributed report. Mr. Muldoon noted that February operating results exceeded last year, but are slightly behind budget because of the Home Show. Mr. Muldoon continued that new business (Athletic Cheer) was a great event. He indicated that his staff was reviewing costs of Food & Beverage events because of the higher than acceptable Cost of Sale and Labor costs.

Mr. Muldoon indicated that March and April combined should be strong, with May and June on budget. Mr. Muldoon noted that the Reebok event should be good for both the hotel and convention center.

Mr. MacDonald left the meeting at 3:20 P.M.

Chairman Massa asked Mr. Przybyla to brief the committee on the fiscal year 2005 audit engagement. The committee was advised that the Auditor General and Director of Administration have agreed to allow the Authority to extend the engagement of LGC&D for one additional year (FY 2005) because of the extraordinary nature of the hotel sale.

Upon a motion duly made by Mr. Duffy and seconded by Ms. Venturini it was unanimously

VOTED: To recommend to the Board a one year extension of LGC&D's engagement through fiscal year 2005.

Bond Counsel, Norman Bennoit, briefed the committee on the impact of the pending hotel sale and the necessary motions to facilitate the sale and resulting defeasance of debt.

Upon a motion duly made by Ms. Venturini and seconded by Mr. Massa it was unanimously

VOTED: To recommend that the Board adopt the proposed motions.

Commissioner Massa, noting that previous pro formas had included a possible refinancing of remaining debt, suggested the committee direct staff and our Financial Advisor to prepare a RFP for Underwriter for the possible refinancing and new debt.

Upon a motion duly made by Mr. Massa and seconded by Mr. Duffy it was unanimously

VOTED: To direct Authority staff and consultants to proceed with RFP for underwriter services for possible refunding and new debt.

Hearing no further business, Chairman Judge entertained a motion to

adjourn.

Upon a motion duly made by Mr. Duffy and seconded by Mr. Massa it was unanimously

VOTED: To adjourn at 3:55 P.M.