

THE RHODE ISLAND CONVENTION CENTER AUTHORITY AUDIT AND BUDGET COMMITTEE MEETING

October 1, 2015

A meeting of the Audit and Budget Committee of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on October 1, 2015, pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were Chairman Bernie Buonanno, Committee Chairman, Jeff Hirsh, Commissioners Stan Israel and Paul MacDonald.

Also present were James P. McCarvill, Executive Director and Betty Sullivan, Rhode Island Convention Center Authority; Larry Lepore and Pam Bacon, Rhode Island Convention Center and Dunkin' Donuts Center; Dan Schwartz the VETS and Bruce Leach, Legal Counsel.

Mr. Hirsh called the meeting to order at 10:12 AM. Mr. Hirsh thanked everyone for attending and stated that the purpose of the meeting was to approve and transmit the budget by the close of business today. Ms. Sullivan distributed her summary of the budget. Discussion ensued regarding changes that were made to Fiscal Year 2017. Mr. Lepore said that in order to meet the budget projections an increase in event and monthly parking rates need to be implemented. Mr. Lepore stated that the budget anticipates a slight increase in

events at the Convention Center. Mr. Lepore reported that the Dunkin' Donuts Center budget reflects one of two potential blockbuster events. He said that only one is budgeted as getting both is unlikely.

Discussion was held regarding options for big events and timing of the event rate increase.

Mr. Buonanno asked what could go wrong with projected revenues. Mr. MacDonald cautioned that we should be careful about the rate increase and generate appropriate increases that also apply to rental charges for the facilities. He said that loyalty should be a two way street.

Mr. MacDonald said that the budget must be defensible and as accurate as possible. He said that we should prepare for questions from the House, Senate and/or Budget office. Mr. McCarvill said that changes to year end projections and use of the rolling forecast for each show and for each facility will be emphasized.

Mr. Buonanno asked the status of the Ice Kingdom. Mr. Lepore said that he is waiting for information from the producer/promoter.

FY 2016 and FY 2017 compensation changes for the Authority were discussed. It was noted that the Authority staff had received their last increase in 2012. Mr. Leach mentioned the Transparency Act and

the requirement for study on executive compensation. Mr. Hirsh will handle the compensation committee as a function of the finance committee.

It was agreed that committee meetings would be held monthly at 10:00 AM on the Tuesday before Thursday's Board meeting. The committees will be Audit and Finance and Facilities and Garrahy Garage as well as the Marketing Committee. October's meeting will be Facilities and Garrahy Garage and Audit and Finance will meet in November. Marketing is expected to continue to meet at 12:30 on Tuesday prior to the Board meeting.

Mr. Hirsh reported that at the September 24, 2015 Board meeting the Commissioners voted to authorize the Finance Committee to approve the FY 2016 Revised and FY 2017 Proposed Budget following changes that were discussed and agreed upon. Noting that those changes were made I propose a motion to accept the FY 2016 Revised Budget and FY 2017 Proposed Budget and authorize the Director of Financial Operations to forward it to the State Budget Office for their review and acceptance. Mr. MacDonald seconded the motion and it was unanimously

VOTED: to accept the budget as revised and authorized the Director of Financial Operations to arrange delivery before the close of business on October 1, 2015.

Mr. McCarvill stated that the management letter will be forwarded to the Commissioners as soon as it is available.

Upon a motion duly made by Mr. Buonanno and seconded by Mr. Israel it was unanimously

VOTED: to adjourn at 11:15 AM.