

THE RHODE ISLAND CONVENTION CENTER AUTHORITY FINANCE COMMITTEE MEETING

January 26, 2016

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 26, 2016, pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

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

Also present were James P. McCarvill, Executive Director Rhode Island Convention Center Authority; Larry Lepore, Pam Bacon, Amanda Wilmouth and Robert Lauro, Rhode Island Convention Center and Dunkin' Donuts Center; Dan Schwartz the VETS and Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Hirsh called the meeting to order at 10:02 AM. Mr. Hirsh asked for approval of minutes of the last meeting. Upon a motion duly made by Mr. Butler and seconded by Mr. MacDonald it was unanimously

VOTED: to approve the minutes of the previous meeting.

Mr. McCarvill presented the financial statements and noted that Ms. Bacon continues to work on a more easily read presentation of the

financials. Mr. McCarvill stated that for the month of December the Convention Center's net income was \$93,665 to budget and \$5,336 to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$763,232 to budget and \$1,705,344 to the previous year. Mr. McCarvill continued with the Income Statement for the Dunk. He said that for the month of December the Dunkin' Donuts Center's net income variance was (\$87,735) to budget and (\$123,116) to the prior year. Mr. McCarvill reported that year to date net income for the Dunk was \$179,637 to budget and (\$418,278) to the prior year. Mr. McCarvill reported that for the month of December the VETS net income variance was (\$12,948) to budget and \$58,887 to the prior year. Mr. McCarvill said that year to date net income for the VETS was (\$101,722) to budget and \$61,201 to the previous year. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of December was (\$18,554) to budget and \$42,510 to the prior year. Year to date net income for the Authority was \$85,527 to budget and a variance of \$51,616 to the prior year. Mr. McCarvill said that consolidated net income variance for the month of December was (\$25,572) to budget and (\$101,403) to the prior year. Consolidated net income for the year was \$926,673 to budget and a variance of \$1,399,877 to the prior year.

Mr. Hirsh asked we had received many calls regarding Holiday parties. Mr. Lepore said that Holiday parties are not as popular as they used to be and there are only a few parties each year. Mr. MacDonald commented that he had an opportunity to attend an event

at the Dunkin' Donuts Center where food was served. Mr. MacDonald said that he was very impressed with the food service at the event and said that Sportservice did a great job.

Mr. Buonanno asked Mr. Lepore what can be done about Disney since revenue is down for the events. Mr. Lepore stated that Disney has had no new products since the release of Frozen. Mr. Lepore said that he is hopeful that a new production will be in the rotation soon. Mr. Lepore reported that this will be one of the last Circus performances where elephants will participate. Mr. Lepore noted that there is a radius clause with Disney therefore the elephants will not perform in the immediate area. Mr. Schwartz noted that the VETS Disney Show is in December and their radius clause is more lenient than at the Dunk. Mr. Lepore stated that this season the first Disney show has been moved to October instead of September. He said that moving the event to October will hopefully help improve attendance.

Mr. Buonanno commented that attendance is up for both the Providence Bruins and Providence College Basketball. Mr. McCarvill said that we should see an uptick in the revenue generated for these events in the coming months.

Discussion ensued regarding the NCAA Tournament that will be here in March. Mr. Butler asked what is being done about security for the Tournament. Mr. Lepore reported that metal detectors will be installed prior to the events at both the Convention Center and the

Dunkin' Donuts Center.

Mr. Lepore reported that CVS is making plans for entertainment during the CVS Charity Classic Golf Tournament. Mr. Lepore said that he understands that offers have been made to Tim McGraw and Lady Antebellum. Mr. Lepore said that CVS would pay for the act.

Mr. Schwartz reported that they are looking to attract artists in order to secure a few Summer concerts. Mr. Schwartz noted that the VETS has found a great niche with children's programming and finding success with shows like Peppa Pig and Daniel Tiger's Neighborhood that is aimed at the kindergarten or younger age group. Mr. Schwartz said that the VETS is looking at Gordon Lightfoot for the Spring.

Mr. Buonanno stated that net income is down through December and asked if Mr. Schwartz still thinks that the VETS will break even for the year. Mr. Schwartz said that he budgeted high and will strive to reach the goal. He said that if they don't break even they will come very close.

Mr. MacDonald asked the seating capacity of the theater. Mr. Schwartz answered 1,900. Mr. MacDonald commented on Home Loan Bank's fund raiser for the food bank at the Straight No Chaser sold out concert. He asked if they will return. Mr. Schwartz stated that he is in the process of negotiating that contract.

Mr. Schwartz reported that the parking lot is not finished and he has met with the State to get their approval to use the lot after the State's business hours. Mr. Butler cautioned that some State workers will leave their vehicles in the lot longer than anticipated. Mr. Schwartz noted that the VETS did not budget for parking so that any revenue increase because of parking will be a boost.

Mr. Hirsh reported that the Authority had issued an RFP for Insurance Broker Services. Mr. Hirsh said that we had not been out to bid in several years and thought the time was right. He noted that our Insurance Advisor, Suzanne Ibbeken of Albert Risk Management was involved and provided guidance throughout the bid process. Ms. Ibbeken as well as Jim McCarvill and myself looked at the proposals and interviewed the five respondents. Mr. Hirsh stated that it is the recommendation of our advisor as well as both Jim and myself that the Authority continue its relationship with Starkweather & Shepley. Mr. Hirsh stated that the incumbent firm had the lowest price, are a local presence and have the expertise that are required for the services. Mr. Hirsh asked for a motion to recommend to the Board awarding the contract for Insurance Broker Services to Starkweather & Shepley. Upon a motion duly made by Mr. Israel and seconded by Mr. Butler it was unanimously

VOTED: to recommend to the Board awarding the contract for Insurance Broker Services to Starkweather & Shepley.

Mr. Hirsh asked if there was any other business for the Finance Committee. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Buonanno and seconded by Mr. Israel it was unanimously

VOTED: to adjourn at 10:40 AM.