

Maine
Cumberland **County**
CROSS INSURANCE ARENA
BOARD OF TRUSTEES MEETING

MINUTES
Wednesday, June 8, 2022

Call to Order

The Board of Trustees meeting was called to order by Chair Tom Tyler called to order at 9:07am the Cross Insurance Arena, Club Room 1, Portland, Maine.

Board of Trustees

Sam Surprise, District #1
Steve Woods, District #1
Tom Tyler, District #4, Chair
Joe Gray, At Large
Lori Norman, At Large
Steve Webster, District #3
Jon Crimmins District #5
John Jamieson, District #2
Vacant, District #6

Spectra Staff, Cross Insurance Arena

Mike Loconte, General Manager, Cross Insurance Arena
Peter Doyle, Director of Events, Cross Insurance Arena
Keith Vaske, District VP, Spectra
Mark Eddy, Director of Finance

Maine Mariners

Adam Goldberg, Vice President of Business Operations

Cumberland County

James Gailey, Cumberland County Manager
Katharine Cahoon, Administrative & Special Projects

Welcoming of Guests and Introductions

Chair Tyler asked that members do a quick round table of introductions to introduce the newest board member Steven Woods representing District #1 and new Cross Insurance Arena Deputy Manager, Peter Doyle.

BT 22-017 Approval of Minutes of the April 13, 2022 Meeting

A motion was made by Trustee Jon Crimmins and seconded by Trustee Steve Webster to approve the February 2022 minutes. The vote was called and the motion passed unanimously in favor, 8-0.

BT 22-018 Financial Report – March and April 2022

GM Loconte noted the financials for March through April had been impacted by a variety of factors there were a lot of sales from comedians and from conferences. Page 11 noted that the number of actual events for the previous nine months was 73 versus the budgeted 58 events, the result is a higher Net Operating Income with a budget variance of \$517,608. Page 12 of the agenda packet outlines the difference in the financial adjustments to February that effect the rolling forecast for the budget.

BT 22-019 Event Report – March and April 2022

The Event Report for the month end of March 2022 is on page 27 and the month end of April 2022 is on page 39 and can be viewed in the agenda packet.

A motion was made by Trustee Jon Crimmins and seconded by Trustee Joe Gray to approve the Financial and Event Reports from March and April 2022. The vote was called and the motion passed unanimously in favor, 8-0.

BT 22-020 General Manager's Report

GM Loconte gave an update on the Manager's Report and that the per caps were significantly higher for food and beverage sales specifically for the rock and country shows.

BT 22-021 Maine Mariners Update

VP of Business Ops Adam Goldberg gave an update on the Maine Mariners and that the FSE and affiliation with the Bruins AHL was very popular and they were able to attract new groups. It was especially helpful to have pre-posted schedule.

Proposed Revised Seating Plan

VP of Business Ops Adam Goldberg introduced Steve Brown and went on to say that areas of the arena are currently underutilized in the C & EE sections. That space could be used for group gatherings beyond birthday parties. There would be little to no construction involved and 158 seats would be removed to create the space. It would also create a new opportunity for sponsorships which would be static signage. He invited Trustees to view the area that was being discussed. The Trustees took the opportunity to view the area of the proposed design and returned to the conference room shortly after and resumed discussions.

BT 22-022 2022-2023 Operational, Capital & Trustee Budgets

GM Loconte introduced the 2022-23 Operational budget that was created after meeting with departments and looking at the CIA's events and utilities costs. He highlighted the information presented on page 64 that outlines the different sources of income that included annual shows such as Disney on Ice and a steady line up of events resulting in a 22% increase from the previous year. Additional revenue sources include conferences, Maine Mariners, and a new mix of shows such as the Price is Right. Other Income was projected to increase to \$77,441. Indirect expenses included a 5% COLA for staff and was budgeted for a fully staffed model for a total of \$401,403.

Trustee John Jamieson asked about the staffing levels, GM Loconte stated that levels were better and the CIA was almost fully staffed.

A motion was made by Trustee Jon Crimmins and seconded by Trustee John Jamieson to approve the CIA Operational Budget 2022-2023. The vote was called and the motion passed unanimously in favor, 8-0.

GM Loconte introduced the 2022-23 Capital budget, some of the capital expenses were not included in the budget because they were being funded with ARPA funds. The Capital budget included 3 major projects listed on Page 75 of the agenda packet which included a new Arena Marquee, WiFi Upgrade and an upgraded Arena Sound System to replace the existing one. The Total Requested amount is for \$364,500 all items approved by the County Manager with the exception of the Arena Sound System which was approved for \$80k as opposed to the requested amount of \$125k. Trustee Joe Gray asked if the Marquee would be on the corner of the street in front of the CIA, GM Loconte confirmed he was correct. Trustee Tom Tyler asked if there was \$319,500 available for the capital projects. County Manager Gailey replied that the POS funding would be discussed at the next month's meeting and that it would assist with concessions and ultimately increase sales. GM Loconte added that demonstrations from prospective vendors had been scheduled. County Manager Gailey added that the Marquee would be funded with ARPA funds and not tax payer funds. Trustee Steve Woods asked if the fees charged by outside vendors would be worth it. Chair Tyler's stated that he attended a separate event and that it was great to receive a notification that their food was ready without having to stand in line. Trustee Jon Crimmins asked if there was a possibility that the Marquee would be considered a community asset by the City of Portland. County Manager Gailey responded that the use of the Marquee would be limited because of the funding structure. Trustee Joe Gray asked if there would be opposition to the signage b/c it might be considered too flashy by the State.

A motion was made by Trustee Joe Gray and seconded by Trustee Sam Surprise to approve the CIA Capital Budget 2022-2023 recommended by the County Manager for the amount of \$315,500. The vote was called and the motion passed unanimously in favor, 8-0.

County Manager Gailey introduced the Trustees Budget for a proposed amount of \$196,400. He noted that the line items were similar to the previous year's budget except for two increases. The Management Incentive Fee was increased due to an increase in the number of events and anticipated attendance. The second item increased was for insurance costs.

A motion was made by Trustee Jon Crimmins and seconded by Trustee Lori Norman to approve the CIA Trustee Budget 2022-2023 for \$196,400. The vote was called and the motion passed unanimously in favor, 8-0.

Executive Session - Pursuant to Title 1 MRSA § 405 (6)(C) for the discussion of the seating area and related development project costs proposed by the Maine Mariners for the Cross Insurance Arena.

At 10:10AM a motion was made by Trustee Steve Webster and seconded by Trustee Lori Norman to enter into Executive Session. A vote was called and the motion passed unanimously in favor, 8-0.

At 10:28AM a motion was made by Trustee John Jamieson and seconded by Trustee Jon Crimmins to come out of Executive Session.

Trustee Jon Crimmins made a motion and Trustee Steve Webster seconded to adjourn the meeting. The vote was called and pass unanimously.

Adjournment 10:30AM