



Cumberland County

Board of Trustees Cross Insurance Arena

Cross Insurance Arena,
Portland, Maine

Meeting Minutes - Draft

Meeting Location: Hall of Fame Lounge

Wednesday, April 24, 2024

9:00 AM

Cross Insurance Arena
Hall of Fame Lounge
1 Civic Center Square
Portland Maine

CALL TO ORDER

The meeting was called to order by Chair Tom Tyler at 9:03 AM.

ROLL CALL

- Present:** 5 - Vice Chair Jon Crimmins, Trustee John Jamieson, Trustee Steve Woods, Trustee Tom Tyler and Trustee Sam Surprise
- Excused:** 2 - Trustee Frank Clark and Trustee Lori Norman
- NonVoter:** 1 - Commissioner Susan Witonis

Additional Guests:

Michael Loconte, Oak View Group
Mark Eddy, Oak View Group
Peter Doyle, Oak View Group
Adam Goldberg, Maine Mariner's Hockey
James Gailey, County Manager
Katharine Cahoon, Cumberland County

NEW BUSINESS

1. [BT 24-001](#) Approval of the minutes, December 20, 2023, meeting of the CIA Board of Trustees

A motion was made by Vice Chair Crimmins, seconded by Trustee Jamieson, that this CIA Trustees' Agenda Item be APPROVED. The motion carried by a unanimous vote.

2. Update from the Maine Mariners

At 9:10am Trustee Sam Surprise arrived.

Chair Tyler asked about a sweatshirt with the "Maine Mariners" on a TV series on CBS called "Tracker". Adam Goldberg explained that the sweatshirt is not sold and guessed the logo was probably pulled from the website.

Adam Goldberg explained that the past season resulted in 23% increase in paid tickets, 15% up in Attendance, and 24% increase in group sales. Sales growth is focused on groups ticket sales because it usually segues into season ticket holders. He shared that with the recent win in overtime that Maine

Mariners are in the playoffs, games 3 - 5 and are this Friday, Saturday and Sunday. The renewal season was impacted by this, there were 500 renewals that happened around March.

Raymond Dudley passed away unexpectedly, the Maine Mariners dedicated April 12, 2024 to "Switch" Appreciation night. His family attended the dedication event.

There are some unexpected League changes with the owners of the New Foundland and Trois. The New Fundland team was dissolved and Trois Reviere was purchased by new owners. An additional team has been added, Wheeling, West Virginia. As a result the ECHL schedule has been delayed but has had a minor effect on ticket sales.

Chair Tyler asked about the schedule for the hockey games. Adam explained that it's a positive schedule with promotions planned for weekday games because they're attractive for corporate clients.

Trustee Jamieson asked about metrics for attendance. Adam explained that the school games are a marketing strategy to build future fans. The Trustees thanked Adam for his update.

3. [BT 24-002](#) Approval of Financial Reports - November and December 2023; January and February 2024

General Manager Mike Loconte stated that for November, December and January there were 35 events and event income was \$95K, Indirect was \$217K and Net Income was \$450K. Shows included Mariners Hockey Games, UMaine Basketball, McKenzie Holmes and Cooper Flagg, Jeff Dunham, Ice Racing, Disney on Ice. Trustee Surprise asked about attendance for hockey games, GM Loconte confirmed that attendance has been up 15%. Chair Tyler asked about the Jeff Dunham show revenue, GM Loconte stated that Jeff performs every year and set record attendance at his last show.

GM Loconte stated that for February of 2024 there were 13 events, event income was \$353K, other income \$70K, Indirect Expense were \$256K and Net Income was \$167K. Year to dates were 74 events while 40 events had been budgeted, event income was \$1.96 million, other income \$508K, Indirect expenses were \$1.74 million and Net Income was \$724K. Impact on the rolling forecast was projected to be a (\$189K) and an adjusted projected balance of \$535K.

A motion was made by Trustee Surprise, seconded by Vice Chair Crimmins, that the CIA Trustees' Agenda Item be APPROVED. The motion carried by the following vote:

Yes: 5 - Vice Chair Crimmins, Trustee Jamieson, Trustee Woods, Trustee Tyler and Trustee Surprise

No: 0

Excused: 2 - Trustee Clark and Trustee Norman

4. [BT 24-003](#) Approval of the Events Report - November and December 2023; January and February 2024

GM Loconte when over the Events Report on page 41 of the agenda packet. There were 35 shows for November, December and January with Net Income of

\$450K.

GM Loconte stated that for February, there were 13 events and Net Income was \$167K. Events included sports shows, Tom Segura and Portland On Tap.

A motion was made by Vice Chair Crimmins, seconded by Trustee Jamieson, that the CIA Trustees' Agenda Item be APPROVED. The motion carried by the following vote:

Yes: 5 - Vice Chair Crimmins, Trustee Jamieson, Trustee Woods, Trustee Tyler and Trustee Surprise

No: 0

Excused: 2 - Trustee Clark and Trustee Norman

5. Manager's Report

GM Loconte shared proboxing debuted ticket sales on June 15, 2024. The Trustees congratulated GM Loconte on the positive press and the news article featuring GM Loconte. There is a new promoter, Outback Promoter for Burt Krishner and 450 tickets sold with a sales goal of 6,000 tickets. Additional shows include Stained, Seether, Cirque de Soliel, Jurassic Quest, Price is Right, Hot Wheels and new concert includes Awakenings Christian Concert. Different genres are being explored that include Folk and possibly Broadway.

The Mariners' Season is ending and the new arena dasher boards are being installed. The new marquee has been delivered, it's permitted, and will be installed in 30 days. Audio upgrades are going to be phased in due high cost. The first phase are improvements to the mixer in the broadcast room. The Amps and Speakers will be upgraded in the next phase.

The Arena has partnered with CLYNK to manage recyclables. The Arena's old trash bins have been refurbished to separate cans and bottles from trash, an average of 250,000 cans are processed annually by the Arena. This change addresses customer complaints about lack of recycling. Other customer complaints are about Ticket Master fees. Chair Tyler asked about the Ticket Master fees. GM Loconte stated that there is an agreement until 2027 and the contract is with the building. He added that there is already a class action civil suit against Ticket Master. Chair Tyler observed that customers blame the Arena for the fees imposed by Ticket Master.

6. [BT 24-004](#) Approval of the 2024/2025 Arena Operations Budget & the Trustees Budget

GM Loconte gave a presentation of the Arena's current and future financials, for fiscal year the Arena had seven events that broke arena records with gross revenue and tickets sales. Hot Wheels returns 2025, Jurassic Quest was the most successful family show and returns in 2024, Tom Segura show set a template for casting show on scoreboard on the center stage and potential high cost ticket sales, the Montverde Cooper Flagg game sold out. There were sponsorship sales totaling \$1 million that are mostly alcohol driven. Assistant GM Peter Doyle added that Butler Ware was a major sponsor and had sponsored the box office.

Projected Income is projected \$2.02 million compared to previous year of \$1.82 million, many events are returning and there is a possibility of Broadway shows.

Ancillary Revenue is increased by \$221K, there is a projected expense of \$3.01 million because operation costs have increased. Management is addressing this by focusing on utility management, bill monitoring, managing equipment maintenance costs and some facilities improvements.

Strategies to achieve goals include diversifying the event mix, increasing use of Point of Service software, increasing Part Time staff and rewarding current Full Time staff by offering leadership skills development and 3.5% COLA adjustment. Staff are doing more targeted marketing. The goal is to surpass the projected 100 events, in total projected Event Operating Income is \$2.02 million and Indirect Expenses \$3.01 million, with a projected Operating Income deficit of (\$218K). GM Loconte emphasized that the goal is to surpass the presented forecast using a realistic budget.

Trustee Woods asked about the naming rights contract with Cross Insurance, what is the length of the contract and is management happy with the results. GM Loconte explained that Director of Partnerships Zach Davis manages the relationship with Cross Insurance. They have use the suites and are content with the contract.

Mark Eddy added that the contract is in year 11 of a 20 year contract. Trustee Surprise asked about their usage of suites; GM Loconte stated that clients and staff use them frequently and that the relationship with Cross Insurance is very positive. Chair Tyler asked about the biggest changes in expenses, GM Loconte explained that utilities and vendors increased costs, increases in Union rates, and increases in part time and full time staff salaries. Chair Tyler asked what the average number of tickets sold per year; GM Loconte replied 200K tickets.

Trustee Surprise asked if there are barriers to growth; GM stated that the Arena does not attract A-listers because of contract structure and they focus on targeting B-list talent. Sometime they pass on shows due to conflicts with the Hockey scheduling. Trustee Surprise asked if there was a trade in sellout shows and with little profit for Public Relations. GM Loconte said that the new strategy for comedy shows are lowering operating costs and adding extra fees to facility fee. Timing is a factor if some partners are not in the region, then there is not a lot to choose from. Chair Tyler asked where the budget excess of \$500K goes, County Manager Gailey stated that it is deposited into the County's General Fund. Trustee Surprise asked if it would be applied toward debt; County Manager Gailey explained that revenue from the Cross Insurance Arena has not happened before and funds are deposited back to the Arena Department account.

The Board of Trustees thanked GM Loconte for his hard work. County Manager Gailey explained that the final budget would go before the Board of County Commissioners for approval in June. County Manager Gailey summarized the Trustees Budget, management is doing well and Management fees are \$98K, insurance auto/crime/public is increased to \$95K, the total amount of the Trustee's Budget is recommended to be \$200K.

A motion was made by Trustee Jamieson, seconded by Vice Chair Crimmins, that the CIA Trustees' Agenda Item be APPROVED. The motion carried by the

following vote:

Yes: 5 - Vice Chair Crimmins, Trustee Jamieson, Trustee Woods, Trustee Tyler and Trustee Surprise

No: 0

Excused: 2 - Trustee Clark and Trustee Norman

7. [BT 24-005](#) Enter into Executive Session pursuant to 1 MRSA §405(6)(D) to discuss the Portland Hockey LLC contract. (There will be no vote taken after coming out of executive session)

Time into Executive Session: 10:07am

A motion was made by Trustee Surprise, seconded by Trustee Jamieson, that the CIA Trustees' Agenda Item be APPROVED. The motion carried by the following vote:

Yes: 5 - Vice Chair Crimmins, Trustee Jamieson, Trustee Woods, Trustee Tyler and Trustee Surprise

No: 0

Excused: 2 - Trustee Clark and Trustee Norman

Time Out of Executive Session: 10:55 pm

A motion was made by Trustee Tyler, seconded by Trustee Surprise, that the CIA Trustees' Agenda Item be CONCLUDED. The motion carried by the following vote:

Yes: 5 - Vice Chair Crimmins, Trustee Jamieson, Trustee Woods, Trustee Tyler and Trustee Surprise

No: 0

Excused: 2 - Trustee Clark and Trustee Norman

TRUSTEE COMMENTS

ADJOURNMENT

A motion was made by Jon Crimmins, seconded by Sam Surprise, to ADJOURN the Meeting. The motion carried by a unanimous vote.