LANSING ENTERTAINMENT & PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
JUNE 22, 2021
MINUTES

At 9:00 a.m. Chairman Price Dobernick called the monthly meeting of the LEPFA Board of Commissioners to order via Zoom audio/video conferencing.

COMMISSIONERS PRESENT: Cindy Bowen, Lansing, MI; Price Dobernick, Lansing, MI; Kenric Hall, Lansing, MI; Charles Janssen, Grand Haven, MI; Larry Leatherwood, Lansing MI (entered at 9:02 a.m.); Danielle Lenz, Tawas, MI; Brian McGrain (Ex-Officio), Lansing, MI; Charles Mickens, Lansing, MI (entered at 9:02 a.m.); James Stajos, Lansing, MI; and Robert Widigan (Ex-officio), Lansing, MI (entered at 9:04 a.m.).

COMMISSIONERS EXCUSED: Tim Barron.

OTHERS PRESENT: Mindy Biladeau (entered at 9:05 a.m.), Heidi Brown, Scott Keith, Paul Ntoko and Tristan Wright - Lansing Entertainment & Public Facilities Authority; Lisa Hagen – Lansing City Attorney's Office; Eric Brewer, Internal Auditor – City of Lansing.

III. ESTABLISHMENT OF THE AGENDA: There were no changes to the agenda as published.

IV. PUBLIC COMMENT: No report.

V. APPROVAL OF THE MAY 25, 2021 MINUTES: Commissioner Mickens noted he was unable to retrieve the minutes from the portal. The approval of the May 25, 2021 minutes will be delayed until the August 2021 meeting and the minutes are available on the portal for review.

VI. REPORTS:

A. CHAIRMAN'S REPORT: Chairman Price Dobernick indicated he had two topics for today's meeting:

1. Board of Commissioners Officer Nominations for fiscal year 2021-2022.
2. CEO's Evaluation - To be reviewed later in the meeting.

B. FINANCE COMMITTEE: Finance Committee Chairman Larry Leatherwood deferred to Scott Keith and Scott shared the May 31,2021 statements on the screen as follows:

1. Lansing Center: Operating Revenue declined by 32% and as we can see it is starting to flip. Operating Expenses declined and will change in August with staff returning. Revenue declined by 85%. The Income Statement compared to last year shows an uptick in the current year with $66,000 in revenue. Operating Expenses – Utilities are climbing back up at the Lansing Center due to events that include food and beverage. Sales/Marketing had a decrease due to a reimbursement and was less than budget. Excess Revenues Over Expenses was less $92.13. The Balance Sheet was steadier this year due to the Michigan Strategic Fund Grant amount of $300,000 added to the budget. Budget versus Actual is a loss of ($57,000).

2. Jackson Field: Operating Expenses were up 8% over last year and were less than budget by 1%. Salaries and Wages had been adjusted at this time last year and are now in line. Utilities are up due to events this year and a warm spring. We had repairs this year as well, there were no repairs last year due to the pandemic. There is excess revenue over expenses which puts us ahead of budget. The Balance Sheet shows us in a strong position. Budget versus Actual – Unreserved Equity is on par with last year. Salaries/Wages are adjusted, and the Total Operating Revenue difference is the change to a cashless system at the stadium which impacts the ATM. Revenue over Expenses is behind by $2,000 and we anticipate it will exceed this amount due to the repairs. Attendance at the stadium is slowly creeping up as people determine their comfort level and attend games.

Committee Chair Leatherwood questioned if there was feedback regarding drafting players, understanding the recruiting of players to the major leagues. Scott noted that typically players move before mid-season/July 4, and there has been only one move so far.

3. Groesbeck Golf Course: Scott noted things continue to improve at the course including the level and amount of play over last year. Restrictions were lifted at this time last year and we still had to wear masks. Operating Revenue is over 43% and is up over 66%. Income Statement comparative indicates concessions is 40% higher than last year. Greens fees, Golf Cart fees have tripled, and leagues are higher compared to last year. Concessions are double and Total Operating Revenue is at $147,000 in May for the current period compared to $83,349 for the prior year. The allocations had not yet changed last year. Excess Revenues over Expenses are at $71,962 for the current period compared to $$38,241 last year and have almost tripled the year-to-date amount ($161,458 compared to $52,874 for last year).

The Balance Sheet will be reviewed and looked at to see what projects may be done; small and big projects such as the maintenance barn, and consideration of a mini golf course (reviewing the PNL). In terms of Budget versus Actual, May was very strong on the revenue side, and we are sitting strong for the end of June, and we will make changes to the hourly wages. Commissioner Bowen asked if concessions are evaluated as a percentage of rounds/golfers and are the figures up due to offerings or golfer behaviors? Paul Ntoko responded that this year we tracked with golf rounds versus concessions totals and there are no numbers yet through most of May as there is no liquor and a limited menu. This year we have a full menu and cocktails to factor and thanks to the weather we were staffing earlier, and the leagues started earlier. Scott noted they will add per cap this year. The Lugnuts per caps are up this year(spending over attendance). Commissioner Stajos questioned how markup is determined? Paul noted there are certain items are known i.e. hot dogs and the goal is to not change the price drastically and keep the same product. Average price increase is 4-5% and has not changed for some time. Hot dogs and domestic beer have not changed for six years. Commissioner Stajos questioned the average industry margin? Paul noted it is 30% average for each golfer and it is harder with concessions. Purchase prices went up by averages without the Lansing Center volume our prices went up and the prices should decrease with the Lansing Center back. Commissioner Bowen questioned if 30% was for food cost or profit margin and beverages? Beer is 25-32 depending on the type (domestic or not). Commissioner Bowen also asked if we are offering seltzer options? Paul responded that we have 2 or 3 options as they are a hit this year.

Motion was made to accept the financial statements for Groesbeck Golf Course, Jackson Field, and the Lansing Center as presented for May 2021.
MOTION: Commissioner Hall SECOND: Commissioner Lenz

Roll Call Vote: Yays: Commissioners Bowen, Dobernick, Hall, Janssen, Leatherwood, Lenz, Mickens and Stajos
Nays: None Motion carried.

C. PERSONNEL COMMITTEE: Commissioner Bowen noted they will be meeting to relook at the CEO's Evaluation and putting together a process. A meeting will be set with Scott Keith soon.

D. AD HOC COMMITTEE ON FUNDING: No report.

E. STRATEGIC PLANNING COMMITTEE: No report. Tristan Wright noted last month there was discussion on the Lansing Center balcony and she has received a new quote with a $12,000 increase. Commissioner Stajos noted the increase was lower than he thought.

F. PRESIDENT & CEO REPORT:

1. COVID-19 Restrictions Update: Scott noted as of today lifting of the mandates and restrictions takes place as well as the suspension of MIOSHA rules regarding masks. There is lots to do as he noted he is inundated with information. We will not mandate employees to wear masks but will suggest employees wear masks especially in public areas for their own safety and will see how this plays out.

2. VP Finance – Scott noted he is hoping for four first round interviews to be completed in person with Tristan Wright and Kenric Hall sitting on the committee. He asked Board members to share by word of mouth that he is looking to fill/interview for the position. Scott noted he is willing to share the posting and would appreciate the Board sharing the information.

3. Return to Work Plan – Scott noted he is keeping the plan fluid and allowing for adjustments based on the events/restrictions/schedule. It has been a busy two weeks and we have brought on two staff members; likewise, some staff members have resigned. Eventually we will be hiring replacements.

4. Social District – An application has been filed for to go items (Adult beverages) to add on to the liquor license (Lansing Center) for Rotary Park and downtown and he noted he hopes for a response in time for the GLCVB event.

5. Common Ground: Scott informed the Board that later this morning there will be an announcement regarding G-EAZY on Saturday, September 11 at Jackson Field. Most of his shows are "no comp tickets" shows, as the more we sell the more they make so there will be very few comp tickets based on the contract. The announce will be In about 20 minutes.

6. CVB, County Leadership and Mayor Meeting – Public Act 340: At the last meeting Julie was at the table as they are in the last stages of discussion.

7. Commissioner Tim Barron: Scott extended his thanks to Commissioner Barron for his eleven (11) years of service and time on the LEFPA Board of Commissioners and his service to the community as a member of the Board.

G. LEPFA VICE PRESIDENT & STAFF REPORTS:

1. Tristan Wright: Tristan reported she is getting part-time and full-time staff back. Negotiations are underway with DK Security, and they are asking for a 23-30% rate increase; the contract is to be issued by June 30. Our agreement with Trane ends as well in June with a 5% increase which equates to a couple of thousands of dollars. Stadium repairs needed are all concrete related. Repairs will be completed when the team is away. Schindler Elevator repair is suggesting an alternative repair for the elevator at the stadium and that is to repair the jack assembly as an alternative solution and is not guaranteed to fix the elevator issue, but costs less. We are waiting for parts for the fence (it will take two weeks). Restriction lifting will change the dynamics for building doors as they will be open based on events in order to maintain safety.

2. Heidi Brown: Heidi noted her report may be found in the Administrative Report; she reviewed the list of open positions as indicated in the Administrative Board Report. To-date we have 16 full-time staff vacancies. We have had zero Worker's Comp cases and zero Employee Referrals. Heidi reviewed the return-to-work schedule, noting 3 Forepersons, 1 Building Engineer and the Operations Technical Services Manager were all returned on a part-time basis for Operations. In the Foodservice Department 1 FS Coordinator, 1 FS Supervisor, and the Sous Chef have been returned part-time. Sales and Services Department has returned 1 Senior Event Coordinator part-time and 0 Administrative team members have been returned, although Julianna Ankney will return on July 6 part-time. The Ops Technical Services Manager will return to full-time on June 14 and Senior Event Coordinator will return full-time on July 6. Return to Work letters have been distributed to all returning staff and benefits are being reinstated for full-time staff. Heidi reviewed the interview/hiring update as presented in the Admin Report. Commissioner Bowen questioned how we bring back staff with benefits. Heidi explained that all full-time staff that are/were benefit eligible are re-enrolled in benefits based on each benefit parameters, for example PHP enrolls laid off team members on the date of their return. EyeMed and Principal require they follow the waiting period used for new hires (first of the month following 30 days of employment).

3. Paul Ntoko: Paul noted that Groesbeck has been moving quite well and had a record May. Compared to May 2018 the turnaround is tremendous. This week is the start of the "apples to apples" comparison for 2020 to 2021 and Paul noted he will keep everyone updated. Work continues on filling positions; all are part-time in order to be able to provide services. Some staff are returning; we have an event on Sunday and the team is working hard and with enthusiasm and Paul noted he is proud of them. Paul noted he continues to meet with suppliers and is reviewing catering offerings based on product availability, with more generic items due to limited supply. Chair Dobernick commended the staff and Paul at Groesbeck on fantastic customer service.

4. Mindy Biladeau: Mindy reported there are changes with the Sales Staff as she has received resignations from an Event Coordinator, the Catering Sales Coordinator and Maureen Brunette, Catering Sales Manager will be retiring on July 2 after 28 years with LEPFA. The Senior Event Coordinator will be back full-time on July 6.

Events: Two groups cancelled in May (which is a great sign) and we hosted several groups. June will see a return of multi-day events including NYC Dance, Mid-West Reps, SBAM, and a Wedding on Sunday. Thursday the Hot Tub Spa Show will begin through June 28.

Special Events: Silver Bells in the City is gearing up and Mindy noted she is catching up for the event in November. Mindy is working on a September 10 event at Groesbeck with Lansing Brewing Company with a 5:30 shot gun start, it will be a ticketed event with food and beer. Mindy worked on social media special promos including Cinco de Mayo, Mother's Day, and the change from spring to summer rates. Mindy noted there are many 5-star reviews on social media for Groesbeck. She is also working on web site maintenance and the Groesbeck Marketing Plan. Mindy thanked Commissioner Lenz for the photographer recommendation for the course. Chair Dobernick questioned the resignations in the Sales/Service Department, Mindy noted they all got full-time jobs elsewhere. Chair Dobernick extended his kudos to Mindy and noted that everyone is doing what the need to do.

Commissioner Lenz asked if there is a correlation between advertising and rounds/gift cards? Mindy noted she will check with Greg. Commissioner Lenz noted she would be interested to know.

VII. COMMISSIONERS AND STAFF COMMENTS:

A. Commissioner Janssen: Commissioner Janssen noted he wanted to go on record thanking Tim Barron for his service. Commissioner Janssen noted that he brought a lot of experience to the Board in the entertainment industry and did a wonderful job and he will send a note.

Commissioner Janssen also thanked the staff and Vice Presidents for having gone a year and a half remaining loyal and working hard and he recognizes all the efforts, determination and loyalty, and he extended his thanks to all, and to Mindy and Paul for their comments.

VIII. OLD BUSINESS: Scott Keith noted a motion was required to take back on the table the issue regarding Board Officers from the May 25, 2021, regular monthly meeting. MOTION: Commissioner Stajos SECOND: Commissioner Janssen:

Roll Call Vote: Yays: Commissioners Bowen, Dobernick, Hall, Janssen, Leatherwood, Lenz, and Stajos **Nays:** None Motion carried.
Chair Dobernick noted Commissioner Mickens rescinded voluntarily his office. The slate of officers nominated for the 2021/2022 term are as follows:

Chairman – James Stajos
Vice Chairman – Larry Leatherwood
Secretary/Treasurer – Kenric Hall.

MOTION: Commissioner Janssen SECOND: Commissioner Lenz

Roll Call Vote: Yays: Commissioners Bowen, Dobernick, Hall, Janssen, Leatherwood, Lenz and Stajos **Nays:** None Motion carried.

Congratulations were extended to the new officers.

IX. NEW BUSINESS: Motion was made to move to closed session to discuss the CEO's Evaluation.
MOTION: Commissioner Janssen SECOND: Commission Leatherwood.

Scott Keith noted all Ex-Officio members of the Board are asked to exit the meeting as well, and would be called back if the desired. Scott Keith will remain in the closed session and take meeting minutes.

Roll Call Vote: Yays: Commissioners Bowen, Dobernick, Hall, Janssen, Leatherwood, Lenz and Stajos **Nays:** None Motion carried.

X. AJOURNMENT: At 10:07 a.m. the regular monthly meeting was adjourned and the Board of Commissioners moved to closed session.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:
TUESDAY, AUGUST 24, 2021
8:00 a.m.

Respectfully Submitted,

Heidi Brown
Recording Secretary