LANSING ENTERTAINMENT &PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
MARCH 29, 2022
MINUTES

At 8:05 a.m. Vice Chairman Larry Leatherwood called the monthly meeting of LEPFA Board of Commissioners to order in Rooms 201 and 202 located at the Lansing Center; 333 East Michigan Avenue; Lansing, Michigan 48933.

COMMISSIONERS PRESENT: Cindy Bowen, Larry Leatherwood, Danielle Lenz, and Maureen McNulty-Saxton.

COMMISSIONERS ABSENT: Paul Collins, Price Dobernick, Kenric Hall, Desiree Kirkland (Ex-Officio), Brian McGrain (Ex-Officio), and Charles Mickens.

OTHERS PRESENT: Heidi Brown, Michelle Green, Scott Keith, Paul Ntoko, and Tristan Wright - Lansing Entertainment & Public Facilities Authority; Joe Abood-Lansing City Attorney's Office, Eric Brewer – Lansing City Council and Jack Alexander.

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

IV. PUBLIC COMMENT: Mr. Jack Alexander commented that the roof leaks at the stadium are on going and are so bad the roof needs a cover. There is water on the ceilings, and this has been going on for some time and he wondered why it had not been rectified. Mr. Alexander noted he has been reporting issues for eleven years to the city leaders, including the Mayor who treats sports/teams as the wicked stepsister. Mr. Alexander noted he has called the Mayor's office and other officials and left messages most recently last week or Mr. Lawrence and never heard back (he called regarding starting the endowment). He stated that the City Council and this Board need to address this issue and go out and talk to people trying to bring about change; and they don't grasp it. Vice Chairman Leatherwood thanked Mr. Alexander for his comments.

V. APPROVAL OF THE MARCH 2, 2022 MINUTES: Minutes will be approved at the April, 2022 meeting due to lack of a quorum.

VI. REPORTS:

A. CHAIRMAN'S REPORT: Vice Chairman Leatherwood noted items for today's meeting includes:

1. Financials Review:
2. CEO Evaluation
3. Strategic Plan
4. Remote Policy

B. FINANCE COMMITTEE: Commissioner Maureen Saxton reported the committee met and she deferred the report to Michelle Green to report on February 2022 Financials as follows:

1. Jackson Field: In reviewing Budget versus Actual, utilities are the biggest outlier in March, and we will likely see this carry over into March and is trending higher than expected with a profit of $2230 for the month.

The Balance Sheet shows that we are tight on funds for Jackson Field. We have a $34,000 balance and $20,000 is owed the City and we will remain tight on cash until we get the subsidy from the City which generally arrives in April. Historically the Balance Sheet is close. Scott Keith noted it is higher due to preparing for stadium opening and is a matter of timing. Scott Keith noted he has had conversations with the City Finance Department about financing and noted previously we receive the funds on July 1; it was moved to quarterly for a while and he understands why the City does it that way (interest, etc.), but it would be helpful for us on an annual basis because, for example, we are spending in March preparing for the opening of the stadium. Right now we are holding payment of bills until we receive the subsidy from the City. Eric Brewer asked if reconciliation for faster payment been resolved? Scott Keith noted it is much quicker than previously, but there is still room for improvement. Eric asked if it is within 30 days, Scott noted that it is, and they are working to correct the issues.

2. Groesbeck Golf Course: Michelle reported the rounds are down on the simulator due to a late start for simulator season. Budget versus Actual – Groesbeck salaries/wages have a savings due to the loss of one full-time employee, so the allocations are down for a loss of $12,000. The Balance Sheet shows we are in a strong position. Commissioner Bowen questioned the budget for the greens and why the simulator is less. Danielle Lenz asked why it was late and by how much. Scott Keith explained that it was three (3) weeks late due to the weather and will need stronger marketing for next year, and the simulator may also be a fad that has peaked. Scott noted the good news is that the simulator is paid for, however, we need to make projections more accurate and market more for non-league use in order to increase rentals. Commissioner Lenz noted she sees no marketing to the leagues for the simulator use. Scott Keith noted there was a significant drop in marketing this year.

3. Lansing Center: Michelle Green note the Lansing Center had a busy month with revenue beating the prior year and budget. February also reflected the forgiveness of the PPP loan. Income was $300,000 from the strategic grant. There were nineteen (19) organizations hosting events this month. Compensation is trending higher than expected due to bringing on additional staff sooner than expected. Michelle noted professional services will fluctuate with events i.e., Security based on events. Utilities are also high.

Income Statement – Budget versus Actual the Operating Income is at $447,000 in the PPP loan with losses of $60,000. The net margin is 12% versus 64%. Year to date including the PPP the percentage is 1% versus -1%. Food and Beverage is down in labor because everyone else is helping out, which is expected to change as we on-board team members. Commissioner Bowen questioned how that compared to February 2019. Scott Keith clarified February is typically between $400,000-$500,000; 2019 was about $400,000 and 2018 was higher.

Vice Chairman Larry Leatherwood questioned the progress on the county funding. Scott Keith reported he is working with Julie Pingston and the City on grant opportunities for the Lansing

Center and the stadium including funds from an Art grant which involves meeting with the County Commissioners.

Grant opportunities may be good for the Lansing Center, and they have identified five (5) grants to go after that would help with items such as the balcony repairs, marquees, sound system upgrades, all upgrades and repairs that would help us to generate more business. Commissioner Bowen questioned the increase in Professional Services, and Michelle Green noted it is for event Security. Scott Keith also noted we have contracted with Lehmann Wesley for professional services as well and we will see a greater increase in March. Michelle also noted the Balance sheet also reflects 35 days in equity and she would prefer that number be ninety (90). Scott noted last year it was a negative number and Michelle also noted the PPP is no longer on the Balance Sheet.

Because a quorum of board members was not on hand, a formal motion to approve the financials will be moved to the April, 2022 Board meeting for a formal vote.

C. PERSONNEL COMMITTEE: Committee Chair Cindy Bowen reported the committee met and discussed the following items:

1. Telecommuting Policy.

2. Progress on formalizing the CEO evaluation process including timing, documentation, and putting in a who, what, when, where format/template. Committee Chair Bowen noted it would be helpful to have more committee members show up to the meeting. Scott Keith noted he had feedback on the form that he had sent out and will update accordingly and send the form out next week. Scott noted he is redoing the form/structure for goals.

D. STRATEGIC PLANNING COMMITTEE: Committee Chair Danielle Lenz noted the committee met two weeks ago with Dorothy Maxwell on the recommendations and set the date for the strategic planning session . Scott Keith noted recommendations were submitted yesterday and he will distribute; and Chair Lenz noted they are still deciding on the date and format.

E. PRESIDENT & CEO's REPORT: Scott Keith reported the following:

1. Administrative/PACE Report: We are moving in a positive direction. The Lansing Center changes quite frequently, and the challenge is the calendar is full. We are looking at staffing, and it is consistently a challenge. Today there is a virtual event in the Governor's Room and Drug Court Professionals are in house tomorrow. Next week, similarly, the events are an Association training session, then NuWay Wrestling and then we move into the Safety Conference. Over the next several weeks we will be going into the busy season.

2. Baseball Season: The baseball season is here, we are getting the stadium open, and we have challenges with the de-winterizing process. Inevitably we will have issues because it has to be drained and then there is the freeze and thaw, and the ceiling is not insulated, and the pipes are winterized and de-winterizing which causes issues. We had an issue with water being frozen in a trap (a bucket and mop was left in the area). In the GM's area no one addressed the issues with the pipes. There are also issues with a curved roof top and it moves because it is not winterized and causes issues especially this time of the year. The suite dates will be shared, and tickets will be available for the Crosstown Showdown on April 6 (MSU vs. the Lugnuts). April 8 is opening day; April 10 is MSU vs. UofM, and Board members interested in tickets should contact Scott Keith.

3. GLCVB Annual Report: Scott Keith noted Julie Pingston may attend an upcoming Board meeting and will provide a brief overview of their annual report; it will be the first in the past year or two. Commissioner Saxton questioned postponing of winterizing at the stadium. Scott responded a few areas are not winterized, i.e., the offices, locker rooms, concourse area and we can go back but there is a lot of insulating and movement of pipe; a lot of work can be done and we had blown out various points with compressor air which blows the water down. Scott noted we/they need to remind people not to use the drains once winterized. Tristan Wright clarified the "Capital Clash" is on April 15.

Commissioner Bowen questioned the Pace Report and the criterion for taking business. Scott Keith clarified that Paul Ntoko, Mindy Biladeau and their teams determine if business is turned away and then try to push it across other entities such as the Radisson and seek ways to creatively accommodate. Most people/groups understand, it comes back to numbers and getting information is challenging. Scott noted staffing levels are also a consideration and how do we know what levels they will be at this fall; we are working on a today, tomorrow, next week, and make it through May basis. We know we will likely have to develop new people and train. Commissioner Bowen noted she understood the low line, low level of bodies means looking at thing differently and the days of tight flips can't be done, as more time is needed for set-up. Scott noted the bigger issue is plated meals, we have taken them off the web site. We are also getting more creative on scheduling days off.

F. <u>VICE PRESIDENT/STAFF REPORTS:</u>

1. Tristan Wright: Tristan Wright noted Scott Keith gave her report, but also shared that Mike Horning and his team have done a great job de-winterizing the stadium and they rose to the challenge. The locker rooms are complete and are now able to accommodate females. Groesbeck has been quiet, and the Operations team is working through obstacles. Overall, all is well.

2. Heidi Brown: Heidi reviewed the information provided in the Administrative Report and provided a summary of filled and vacant positions. An offer had been extended for the Accounts Analyst Administrator position in Finance and two days prior to his start date he declined the position. Interviews will be scheduled for the Foodservice Coordinator and the Supervisor positions. An offer has been extended and accepted for one of the Event

Coordinator position and the start date is slated for May 16, 2022. Interviews are underway for the Golf Assistant Pro and the three seasonal positions at Groesbeck (Groundskeeper, Pro Shop Attendant and Golf Cart staff). We currently have twenty-three (23)full-time positions and in March of 2020 we had forty-three full-time team members.

There were no Workers Comp claims, or Employee Referrals.

3. Paul Ntoko: Paul noted the simulator at Groesbeck Golf Course is coming down and it will be stored at the Lansing Center.

People are getting excited to golf and are calling. We have twenty-five (25) leagues this year, and we can't add any more with the current limited number of carts. Nine (9) season passes have been sold. Last year we sold thirty-two (32)season passes with a promotion, which has been discontinued due to there being too many discounts being offered. "Grains and Greens" will be taking place with Lansing Brewing Company at 5:30p on June 10 and September 16.

Paul noted the Lansing Center team is doing well and they are doing everything they can for the customers to achieve an event. They have the day off today. Commissioner Bowen asked if there was an Increase in fees? Paul responded there was a 5% increase across the board which was determined after considering our competitors such as College Fields. Paul noted we are not advertising the discounts. Cart fees were increased due to the price of gas and the increase in lease fees.

VII. **COMMISSIONERS AND STAFF COMMENTS:** No report.

VIII. **OLD BUSINESS:** No report**.**

IX. **NEW BUSINESS:** None

X. **AJOURNMENT:** At 9:00 a.m. the regular monthly meeting was adjourned.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:
TUESDAY, APRIL 26, 2022
8:00 a.m.
LOCATION: TBD

Respectfully submitted,

Heidi Brown, Recording Secretary