LANSING ENTERTAINMENT & PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
June 27, 2023
MINUTES

At 8:01 a.m. Chairman Larry Leatherwood called the monthly meeting of LEPFA Board of Commissioners to order in the Governors Room, located at the Lansing Center; 333 East Michigan Avenue; Lansing, Michigan 48933.

COMMISSIONERS PRESENT: Paul Collins, Price Dobernick, Kenric Hall, Jordan Hankwitz, Larry Leatherwood, Danielle Lenz, Emily Linden (Ex-Officio) Charles Mickens, and Maureen McNulty-Saxton

COMMISSIONERS ABSENT: Desiree Kirkland (Ex-Officio), James Stajos and Eric Sudol.

OTHERS PRESENT: Mindy Biladeau, Heidi Brown, Kirby Doidge, Scott Keith, Kasey McFadden, Paul Ntoko, and Tristan Wright - Lansing Entertainment & Public Facilities Authority; Joe Abood-Lansing City Attorney's Office; and Jack Alexander- Public

III. ESTABLISHMENT OF THE AGENDA: Motion was made to approve the meeting agenda as submitted. **MOTION**: Commissioner Saxton **SECOND**: Commissioner Hall **MOTION CARRIED**

IV. PUBLIC COMMENT: There was no public comment.

Heidi Brown entered the meeting at 8:02 a.m.

Emily Linden entered the meeting at 8:03 a.m.

V. APPROVAL OF THE MAY 23, 2023, MINUTES: Motion was made to approve the meeting minutes for the May 23, 2023, meeting as presented. **MOTION**: Commissioner Saxton **SECOND**: Commissioner Lenz. **MOTION CARRIED**

Paul Collins entered the meeting at 8:04 a.m.

VI. REPORTS:

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

1. Succession Plan Draft
2. Annual CEO Evaluation/Review
3. Nomination/Election of Fiscal Year 2024 Board Slate of Officers
4. Finance Committee Review of Draft Financials through April
5. LEPFA Budget for Fiscal Year 2024 Approval
6. Contract with C2AE Approval for Stadium Improvements

7. Updates from the Finance, Personnel, and Strategic Committees

B. <u>FINANCE COMMITTEE</u>: Commissioner Maureen Saxton reported that the Finance Committee met, and she deferred the report to Kirby Doidge to present the FY24 Budget to the Board, along with the April 2023 draft Financials.

1. <u>April Draft Financials:</u> Kirby stated he will be focusing on the Lansing Center Budget compared to Actual due to complexities currently. Kirby explained because invoices are behind, revenue is not as it should be for financials. May and June invoices are being processed and the new Accounting Manager has significantly helped in this progress.

   Kirby reported salaries and benefits are current across all LEPFA properties and for the Lansing Center, the salaries bill backs totaled from Groesbeck $418,000, Jackson Field of $121,000, and CVB $400,000. This revenue will still not show up on the Lansing Center books because the transfer has not been made. Prior to Kirby's arrival, financials were completed up to September 2022; currently March 2023 financials are being finalized and they are working on April. Kirby stated he will have financials caught up and completed by audit.

   Commissioner Collins asked for clarification on the process moving forward. Kirby explained the history of processes and how they are working to make sure that these processes continue throughout the years for LEPFA. Additionally, Scott mentioned that he has given Kirby the ability to contract with Lehman Wesley to develop a processes flow chart so that there is a document in place in the future.

2. <u>FY 2024 Budget:</u>

   2023-2024 Budget Comparison to Prior Year- Total Revenues are $5,693,692; Total Expenses are $7,774,167 for an Operating Loss of $1,297,555 (this is the City Operating Contribution). Total Revenue compared to prior year is an increase of 19%. Total Expenses are up 7%. The top three revenue sources are Foodservice, Building Equipment, and Equipment Rental. The top three expenses are Salaries and Benefits, Foodservice, and Utilities. Compared to 2018/2019 Total Revenue is down 7% and expenses are up 7%. Commissioner Collins referenced the 3-year cycle and asked where LEPFA is currently. Kirby confirmed that currently LEPFA is in the middle of the trending cycle. Scott added that with COVID it is a bit of a challenge with reporting on comparing year. Scott mentioned that the City Operating contribution is down compared to last year by about 4%.

a. Lansing Center- Kirby reported for Building Rental, the top three types of events in the Lansing Center are conferences, conventions, and competitions. The 2024 projection is $883,414 which is 87% compared to 2018/2019. Kirby stated he predicts business to be back to normal by 2025-2026. Kirby added that the average building rental is $945,427. Business is still not back to normal from the pandemic, but compared to 2009-2011, 2022-2023 is currently beating Rental Revenue as of April.

Jack Alexander exited the meeting at 8:41 a.m.

Foodservice 2024 Revenue, projections are $3,247,085 which is 95% of 2018-2019 Foodservice Revenue. Average Food service Revenue is $3,351, 535 and consists of food, beverages, concessions, and vending; this is based on a mix of events.

Equipment Rental for 2024 is $863,425, which is 90% of 2018-2019 Equipment Rental; this again is heavily dependent on the mix of events. The average Rental Revenue is $761,156. Equipment Rental Revenue items include AV, carpet, staging, tables/chairs.

Salaries and Benefits 2024 budget prediction is $2,966,912, which is a 2% decrease compared to 2018-2019. This is an increase from prior year of 19%. Kirby noted that the Lansing Center is still not fully staffed in Foodservice, Finance, and Sales/Marketing. Scott added and explained that there are many factors that go into determining Salaries and Wages.

Kirby reported Foodservice Expenses, are projected to be $2,207,731 which is an increase of 8% from 2018-2019 And is driven by the Cost of Goods and is averaged at $2,000,390.

Utilities are budgeted at $874,455. The utility rates increase twice a year. Kirby noted a decrease in the trend, means less use of the building.

b. Jackson Field- Kirby noted that the overall budget increased by 44% from $422,336 in 2018-2019 to $612,381. Scott reminded the Board that the stadium is now cashless. Kirby added that due to this, the ATM at the stadium has been removed. Scott added that all revenues for the lease to the stadium go directly to the stadium and does not fall on LEPFA's budget. Kirby noted some increases which were to Salaries and Benefits that were distributed to LEPFA employees. Additionally other increases are from utilities uses, repairs and maintenance.

Joe Abood exited the meeting at 8:47 a.m.

c. Groesbeck Golf Course – Revenue budgeted for 2024 is $797,453, which is an increase of 74% from 2018-2019. The expenses have an increase of 49% from 2018-2019. Kirby mentioned some notable increases which are greens fees, cart rental, salaries, and benefits (being properly allocated), repairs and maintenance, food and beverage, as well as concessions. Kirby highlighted that the City operating contribution has decreased from $143,000 to $96,383. The Total Revenue has increased by 3% and Expenses have increased by 3%. Commissioner Hall also noted that the course has nearly doubled the revenue from 2018-2019.

Joe Abood entered the meeting at 8:47 a.m.

Motion was made to approve the Budget as presented for FY24.

MOTION: Commissioner Saxton **SECOND:** Commissioner Collins **MOTION CARRIED**

C. <u>PERSONNEL COMMITTEE:</u> Committee Chair Kenric Hall reported the Committee met and discussed the following items:

1. President & CEO Review: Chair Hall reported that there was a lot of discussion regarding the President and CEO's evaluation; later in the meeting there will be a discussion with a closed session to go over the President and CEO evaluation. Commissioner Hall took this time to thank the members for their contribution and participation in the evaluation process.

Due to Tristan's upcoming departure from the meeting, Scott deferred back to the Finance Committee regarding an action item which is the discussion and approval of the contract with C2AE for the Stadium renovation/improvements.

3. C2AE Contract: Tristan Wright presented the Board with a brief summary of the contract with C2AE. The contract is for C2AE, as the architects and design team for the second phase of the MLB renovations. This is a continuation of their contract from last year as there was a contract in place for the initial phase to add locker room space to accommodate females into the sports industry. Now, the second phase is to add some additional space in the Visitor's locker room to meet with the MLB audit. C2AE has visited the space and provided a proposal for the renovations needed. They are in hopes of starting this renovation after the 2023 baseball season. The amount proposed to meet the criteria for the MLB audit was proposed by C2AE in the amount of $36,180. This helps the team with being compliant under the MLB facility audit so that the criteria necessary is met under the facility audit presented by the MLB. Additional items under this audit are the construction of a batting tunnel, as well as some various items in the home locker room.

Heidi Brown and Jordan Hankwitz exited the meeting at 8:56 a.m.

Motion was made to approve the contract with C2AE for Stadium Improvements/Renovation.

MOTION: Commissioner Dobernick **SECOND:** Commissioner Hall **MOTION CARRIED**

D. STRATEGIC PLANNING COMMITTEE: Committee Chair Danielle Lenz reported the Committee met and discussed the following items:

1. Strategic Plan: Chair Lenz reported that the Committee discussed the next steps for the Strategic Plan goals with the purpose of assigning a person responsible for overseeing these specific goals.

2. Rebrand: The Committee is putting together a list for two focus groups of internal and external individuals to meet with M3 Group to present the rebranding initiative for LEPFA. Scott shared that he did sign the proposal for M3 for a couple of various adjustments to their presentation.

Jordan Hankwitz re-entered the meeting at 8:59 a.m.

E. PRESIDENT & CEO'S REPORT:

1. Upcoming Events: Starting Thursday, there will be a mixture of some big events that the Lansing Center will be hosting throughout the month of July, Scott shared. This upcoming weekend (June 30- July 2) the Lansing Center will be hosting Capital City Comic Con.

Tristan Wright exited the meeting at 9:02 a.m.

The following weekend (July 7-July 9) NuWay Wrestling will be in the building. Then, finishing the remainder of the month will be the National Horseshoe Pitching Championship with the National Horseshoe Pitchers Association. Commissioner Lenz asked if the Horseshoe Pitching event is something that rotates every year. Scott confirmed that it does move throughout the country as last year it was in Louisiana.

Heidi Brown re-entered the meeting at 9:04 a.m.

Commissioner Mickens asked for an estimate on how many participants compete, to which Scott confirmed about 3,000-4,000. Commissioner Hall explained that there are different waves of ages that compete in the tournament. He added that this event will positively impact Lansing tremendously. Commissioner Mickens asked in regard to broadcasting the event with local broadcast stations to get the word out prior to the event. Scott stated that he will send out marketing information to the board that the CVB is currently working on.

Price Dobernick exited the meeting at 9:06 a.m.

2. LEPFA Facility Improvements (Jackson Field, Groesbeck Golf Course and Lansing Center): Scott reiterated that they will be moving forward on the stadium improvements as part of the budget re-appropriation. Tristan and Scott met to start the process of the $1.5-million-dollar improvements. Scott and Tristan are working on focus groups for the LEPFA rebranding review. They have not heard back on confirmation regarding the $5 million dollars for the Lansing Center but are working on a plan/list of priorities on what the funds would go to and will bring it to the Strategic Committee for review.

3. Service Culture Committee: Scott shared updates on the internal Service Culture Committee that is staff led with assistance from Matthew Anderson. The committee was created to work on internal customer service and service culture. The plan is to incorporate some external individuals to provide the committee with some feedback to improve the service culture of the organization. This committee meets once a month.

4. Groesbeck Golf Course Master Plan: Scott shared that the initial meeting has happened with Albanese and Lutzke, along with Tristan, Paul, and the Clubhouse Manager and Golf Operations Manager. Commissioner Collins asked if there will be a formal report from Albanese and Lutz regarding the Master Plan to which Scott confirmed that there will be once priorities/research are finalized.

Price Dobernick re-entered the meeting at 9:09 a.m.

7. **CVB Agreement:** Scott reported to the Board that he is currently collaborating with the Executive Committee to put a plan together to develop a presentation on how they would like to update the CVB both on financial and future items moving forward.

8. **LEPFA Suite**: Lastly, Scott shared that LEPFA has the LEPFA/CVB suite on July 4. He stated that if the Board would like to use the suite to reach out to either Kasey or himself.

G. VICE PRESIDENT/STAFF REPORTS:

1. **Mindy Biladeau:**

   a. **Rental:** Mindy reported that May was a solid month for Rent at $79,000 plus. Overall ending the fiscal year at over 112% compared to FY23 budget. FY23 to FY24 has seen a $160,000 increase in Rent, the goal is to hit and/or exceed this increase and they are already in good standing at 83% compared to budget.
   b. **Diagramming Software:** Mindy shared that they are currently internally redoing all the event diagramming software. This will be a huge benefit to the Events and Facilities teams. Training will be on July 12, then the software will go live. Old files from Meeting Matrix will be moved over to the new system as well so that no historical information is lost.
   c. **Greens and Grains Event:** On Friday, June 23, Groesbeck hosted the first session of the Greens and Grains event with partners Lansing Brewing Company. Mindy was happy to report that the rain held off and the event went well. The next event will be held on Friday, September 15.
   d. **Lansing Center Website Rebuild:** Mindy is overseeing the Lansing Center website rebuild. Currently they are in the process of building wireframes

and creating new content as they continue to proceed with this project to make the site more user friendly.

2. **Heidi Brown:**

   a. **Vacant Positions:** Heidi reported the current vacant positions are as follows:
      i. HR Payroll Coordinator
      ii. Accounting Analyst Administrator
      iii. Accounts Receivable/Box Office Coordinator
      iv. Marketing Manager
      v. Receptionist

   b. **Julie Ankney:** Heidi informed the board that LEPFA's receptionist of 21 years, Julie Ankney, will be retiring. Julie's last day will be July 3. There will be a luncheon to celebrate Julie's service on Thursday, June 29 and she will be reevaluating the position and there will be a part-time employee covering the Receptionist responsibilities in the interim.

   c. **New Hires:** Heidi reported the following positions have been filled:
      i. (2) Event Coordinators: Joy Tenjeras and Emily Woodard
      ii. Accounting Manager: Frances Miller
      iii. (9) Banquet Servers: (5) Banquet Servers and (4) Groesbeck Foodservice Staff (who will also be used as Banquet Servers in the off-season).
      iv. (4) Cart Staff at Groesbeck
      v. (4) Pro Shop Staff

   d. **LEPFAU/Trainings:** Heidi reported that the LEPFA U Committee is planning the second session of LEPFA U for the 2023 year with the session taking place on November 1st. The topic of this session will be items related to Work/Life Balance. Heidi mentioned that she and Scott met with Lisa Fisher to coordinate another all-staff communications training; this is a follow up to the communications training that took place this past spring. They are looking to find a date/time to coordinate for this training. Additionally, Heidi mentioned that she is in the process of coordinating a flu shot clinic with Sparrow Pharmacy for staff who wish to get their flu shots done.

e. **Employee Performance Evaluations:** Lastly, Heidi noted that coming up, staff will be going through their Employee Performance Evaluations. These are to be completed by October. During this time job descriptions are also re-evaluated.

Commissioner Hall took this time to congratulate Heidi and the team on their efforts in hiring a list of positions. In terms of what LEPFA needs to be fully functioning, Commissioner Hall asked for some clarification to see where LEPFA is currently to be fulling functioning. Paul stated they will need about 10-15 more servers to get back to pandemic numbers. Heidi stated that she is collaborating with Chef Dan Ray on filling the positions of Dishwashers and Cooks.

Commissioner Mickens suggested the possibility of using a type of service to obtain people who are seeking employment. Scott shared that he, Paul, and Tristan recently met with Adam Green who is the founder for Uniservices. This is an app-based program where companies can obtain gig workers to help with staffing. They are currently looking into the coordination of this program and will be working with Adam Green to figure out a plan of action.

3. **Paul Ntoko:**

a. **Greens and Grains:** Paul added to Mindy's report on Greens and Grains that the event went well; including the weather. Paul shared that for Father's Day this year, it was a record day for Groesbeck Golf Course for both rounds and Food and Beverage with 18% more play than average.

b. **Service Charge Increase/Changes for the Lansing Center:** Effective July 1, the Foodservice will be increasing their service charge from 21% to 22%. This charge applies to all Food and Beverage items. Paul shared that there have been some menu changes as well and some policy changes that will be shared amongst staff for proper training.

c. New Staff Training: As mentioned in Heidi's report, there are new faces on the Foodservice team. Paul is excited to have them join the team and will be getting them ready for training for upcoming events.

   Commissioner Dobernick referred back to the hiring discussion and asked if any of the positions opened are Union positions and asked if LEPFA gets any help from the Union with hiring. Scott stated he has met with a couple of UAW reps, and they had conversations on the need for staffing, but it has been a challenge industry wide to attract people. What he is focusing on (including the CVB) is collaborating with High School students to help them get interested in the industry. Commissioner Dobernick suggested looking into having the union work on their end to help assist in staffing needs to help recruit, train, and place them.

5. **Tristan Wright**: No report.

6. **Kirby Doidge:** Kirby reported that he is currently working on learning, implementing, and finalizing policies and procedures in order to get the Finance Department back to where it should be.

Commissioner Leatherwood took this time to complement and give kudos to the Staff for their hard work and dedication throughout the 2023 year. He expressed his appreciation and thanked Kirby for jumping into the Vice President of Finance role and presenting an excellent presentation for the board for the 2024 Fiscal Year Budget.

VII. COMMISSIONERS AND STAFF COMMENTS:

1. **GLCVB Agreement:** Commissioner Leatherwood explained the current situation with the Greater Lansing Convention and Visitors Bureau and LEPFA. He explained that LEPFA has received a letter from the GLCVB notifying them that effective December 31, 2023, that the GLCVB will be terminating their agreement with LEPFA. It was noted that this will have a significant impact on LEPFA and its facilities. Commissioner Leatherwood deferred to Scott Keith to explain the history of the agreement; Scott explained with Commissioner Halls assistance the agreement between LEPFA and the CVB and its significance. Scott reported that he and the GLCVB's President and CEO are working together on a plan and will be discussing with both Executive Committees in a joint meeting. As a CVB representative,

Commissioner Hall added that with the failure to provide the CVB the monthly financials as stated in the agreement, the CVB needs to be certain that funds are being accounted for and would like valid reporting of these funds. He added that having the meeting with the two Executive Committees urgently would be beneficial. This is to ensure that all parties are able to discuss the situation, "plot-the-path" forward, and come together to come out stronger by creating a mutual resolution.

Commissioner Dobernick made a statement that even though he agrees that the financials are an important part of the Authority, they are being worked on to get caught up. With respect to Commissioner Hall and the CVB, Commissioner Dobernick stated that he would like to engage in conversation with the County to see how LEPFA could reconstruct the agreement and how funding is flown throughout the Authority so that if LEPFA was to be in this particular situation again, it is resolved. Commissioners Leatherwood, Commissioner Dobernick and Scott Keith will meet in the future to further discuss.

VIII. <u>OLD BUSINESS:</u>

A. **<u>Nominating Committee:</u>** Committee Chair Charles Mickens reported the Committee, made up of himself, Danielle Lenz and Paul Collins met. Commissioner Mickens presented the Slate of Officers for FY24 as follows:

LEPFA Chair: Kenric Hall
LEPFA Vice Chair: Maureen McNulty-Saxton
LEPFA Secretary/Treasurer: Danielle Lenz

Commissioner Lenz asked for clarification in light of the recent changes to the CVB/LEPFA agreement, that there is no conflict of interest with Commissioner Hall being Chair of the LEPFA Board. Commissioner Hall explained that he does sit in an incredibly unique position as he sits on both the CVB and LEPFA Boards. Commissioner Hall stated that being on both Boards brings a unifying perspective as well as being the General Manager of the Radisson Hotel which is affiliated with LEPFA in terms of business that is dependent of the success of the Lansing Center and its events/business. He added that he believes that with his unbiased opinion he can help lead this discussion and hope that in the end the two organizations can come out stronger and unified with his intimate knowledge of both organizations; he pledged no conflict to be of concern in his regard. Commissioner Lenz agreed with his statement as she fully believes he will be a great Chair to the Board.

Motion was made to elect the slate of officers as presented to the LEPFA Board of Commissioners for FY24.

MOTION: Commissioner Dobernick **SECOND:** Commissioner Lenz **YAYS:** Commissioner Collins, Dobernick, Hall, Leatherwood, Lenz, Mickens, and Saxton **NAYS:** None **MOTION CARRIED**

Commissioner Mickens thanked the Board for their acceptance of the Officers and thanked the Committee for their work in determining/nominating the officers presented.

IX. NEW BUSINESS:

A. CEO Evaluation: Motion was made to allow the Board to move into closed session for the President and CEO evaluation.

MOTION: Commissioner Hall **SECOND**: Commissioner Mickens **Roll Call Vote**:
Yays: Commissioner Collins, Dobernick, Hall, Leatherwood, Lenz, Mickens, and Saxton
Nays: None **MOTIONED CARRIED**

Mindy Biladeau, Heidi Brown, Kirby Doidge, Scott Keith, Kasey McFadden, Paul Ntoko, and Joe Abood exited the meeting for closed session at 9:55 A.M.

Scott Keith, Kasey McFadden, and Kirby Doidge re-entered the meeting at 10:15 A.M.

Price Dobernick exited the meeting at 10:15 A.M.

At **10:15 a.m**. a **motion** was made to return to regular session.

MOTION: Commissioner Collins **SECOND**: Commissioner Saxton **Roll Call Vote**: **Yays:** Commissioner Collins, Hall, Leatherwood, Lenz, Mickens, and Saxton **Nays:** None **MOTIONED CARRIED**

B. CEO Evaluation: Commissioner Hall, Chair of the Personnel Committee reported that the Commissioners met in closed session and approved both the President and CEO's review and salary increase.

Motion was made to accept the CEO Evaluation as presented by the Personnel Committee of the LEPFA Board. **MOTION:** Commissioner Hall **SECOND**: Commissioner Collins
MOTION CARRIED

Scott Keith thanked the Board.

X. **AJOURNMENT:** Motion was made to adjourn the LEPFA Board of Commissioners Monthly Meeting.

MOTION: Commissioner Hall **SECOND:** Commissioner Collins
MOTIONED CARRIED

At 10:25 a.m. the regular monthly meeting was adjourned.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:
TUESDAY, JULY 25, 2023
8:00 a.m.
LOCATION: Lansing Center- Governors Rooms

Respectfully submitted,

Kasey McFadden

Kasey McFadden, Recording Secretary