LANSING ENTERTAINMENT &PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
July 25, 2023
MINUTES

At 8:05 a.m. Chairman Larry Leatherwood called the monthly meeting of LEPFA Board of Commissioners to order in the Governor's Room located at the Lansing Center; 333 East Michigan Avenue; Lansing, Michigan 48933.

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

COMMISSIONERS ABSENT: Price Dobernick, Desiree Kirkland (Ex-Officio) and James Stajos.

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

III. ESTABLISHMENT OF THE AGENDA: There were no changes to the agenda. Motion was made to approve the agenda for the meeting as presented. **MOTION:** Commissioner Sudol. **SECOND:** Commissioner Lenz. **MOTIONED CARRIED.**

IV. PUBLIC COMMENT: No public comment was made.

V. APPROVAL OF THE JUNE 27, 2023, MINUTES: Motion was made to approve the meeting minutes for the June 27, 2023, meeting as presented. **MOTION**: Commissioner Hall **SECOND**: Commissioner Saxton. **MOTIONED CARRIED**

Emily Linden entered the meeting at 8:08 a.m.

VI. REPORTS:

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

1. Personnel Committee Update: Board Approval of the Incentive Plan
2. Personnel Committee Update: Board Approval of the Succession Plan
3. Finance Committee Update: Review of the Draft Financials through April
4. Strategic Committee Update: Review and Discussion of the $5 Million Upgrades and Improvements for the Lansing Center
5. Discussion of the FY24 Board Committees

B. FINANCE COMMITTEE: Commissioner Maureen Saxton reported that the committee met, and she deferred the report to Kirby Doidge to review updated April Draft Financials as follows:

1. **Financial Update:** Kirby sent out an update to the board on the status of various items as of July 21, 2023. The update listed items that are currently being worked on, including Bank Reconciliations, Invoicing, Payroll, Process Improvements, Deposits, and Next Items (Journal entries, insurance, and May 2023 Bank Reconciliations).

2. **Draft Financials:** Kirby presented the draft financials up until April 30, 2023, highlighting items that still need to be addressed. The Finance department has completed bank

reconciliations for April, so money and expenses are present; however, everything needs to be double-checked for accuracy.

a. ***Lansing Center:***

i. **Balance Sheet:** Funds held by the CVB are not shown in the draft financials as they are currently outstanding.

ii. **Budget Vs. Actual:** Kirby pointed out incongruities in several line items. He explained the reasons behind these variations.

Commissioner Sudol asked for clarification on whether the Food and Beverage are down compared to budget and asked if this was still a reflective revenue or if this is in fact where the numbers are. Kirby shared that items are accounted for, the only thing that could be setting this off is being late on invoicing; this might not be reflected for April. Kirby stated that these are assumptions, so if food and beverages are down, expenses will be down. Commissioner Sudol asked what goes into professional services. Kirby explained that these are contracted outside services such as Lehman Wesley and Jennifer McFatridge to help get finances caught up. Kirby will pull the true cost of accounting services and break it down by month. The last item Kirby addressed was insurance and bonding as they will need to be allocated across all three properties.

iii. **Income Statement:** For the income statement comparative, again, same as Budget vs. Actual, reflects that utilities, insurance, bonding, and the sales/marketing reimbursement is not showing up or is low.

b. ***Groesbeck Golf Course***

i. **Balance Sheet:** Similar to Lansing Center, for operating contribution, finance needs to review.

ii. **Budget vs. Actual:** Kirby noted discrepancies in equipment rental, special events, power cart rental, concessions, and salaries, explaining the reasons behind these variations.

iii. **Income Statement:** Again, salaries and benefits are the big items that look inflated on the income statement; this will be reviewed further to make sure all is accurate.
Commissioner Hankwitz asked if similar findings are happening at Groesbeck in terms of utilities. Kirby shared that Groesbeck has a separate account and for the Lansing Center and Jackson Field, they split. Scott added that they are seeing reductions at Groesbeck for utility due to the Johnson Controls Project with the City with new equipment and some upgrades have caused reductions in utility bills.

c. ***Jackson Field***

i. **Balance Sheet:** The big item is the developmental fund, which is in the bank statements but not pulling into the balance sheet. Unearned subsidy and other aspects are also being investigated.

ii. **Budget vs. Actual:** Kirby discussed the Budget vs. Actual report for Jackson Field and highlighted the reasons behind discrepancies in various categories.

iii. **Income Statement:** Kirby discussed differences in income statements for all three properties and explained the reasons behind these variations.

Commissioner Leatherwood asked Kirby how he feels the finances are? Kirby explained that in April and May, they were hoping the process would start going faster, part of the issue is backup documentation that has halted bank reconciliations. They are aware that money is there, and they are working with all who provide cash receipts; there is no foul play as all still balances. But the issue is having the backup for the audit.

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

1. **Incentive Plan:** Commissioner Hall, along with Scott Keith presented the updates to the Incentive Plan to the Board. Items that were updated were the allocation based on job positions along with descriptions of how the plan is applied. Another item added was meritorious rewards when a certain facility has a high performance within a year that all staff in the facility are rewarded, not just the positions that are listed in the incentive plan. The hope of this incentive plan is to help with recruitment and retention of employees. Kirby is currently working on a metric system to correlate to the incentive plan where one can put in the numbers, and it will have the employee's salary and then will calculate the incentive plan reward.

   Commissioner Sudol asked how the performance metrics are factored into the incentive for each different position. Scott explained that LEPFA is more active from a sales perspective, when discussing the incentive plan, they wanted these positions to have more performance metrics. In the next year they would like event coordinators to train on sales of catering and how they can impact on the budget.

   Motion was made to approve the Incentive Plan as presented. **MOTION**: Commissioner Hall **SECOND**: Commissioner Saxton. **<u>MOTIONED CARRIED</u>**

2. **Succession Plan:** Scott reviewed the succession plan with the Board. Scott explained to the Board that one of Chair Leatherwood's goals was to put a succession plan in place for the event a CEO/President was changed for various reasons. This plan talks about whose responsibilities/duties would be, should something happen to a CEO/President for different type of occasions. The plan also states what would happen should a Vice President leave.

Motion was made to approve the Succession Plan as presented. **MOTION**: Commissioner Hall **SECOND**: Commissioner Mickens. **<u>MOTIONED CARRIED</u>**

D. <u>STRATEGIC PLANNING COMMITTEE:</u> Committee Chair Danielle Lenz reported the committee met however she was unable to make the meeting and deferred to Scott Keith to go over the report. Scott moved to the CEO/President report and discussed the Strategic Committee items in his report.

Jordan Hankwitz exited the meeting at 9:10 a.m.

E. <u>PRESIDENT & CEO's REPORT:</u> Scott Keith reported the following:

1. **$5 Million Lansing Center & 1.5 Million Jackson Field State Appropriation**: Scott announced that LEPFA received a $5 million dollar grant from the state to help out with necessary upgrades for the Lansing Center and $1.5 million dollars to Jackson Field Stadium. During this time, Scott thanked all of the individuals involved in making this grant happen. Scott then, presented to the board a list of renovations for the Lansing Center based on priorities and wishful items.
   Commissioner Hall asked Scott if he has reviewed any additional research from outside partners and stakeholders to see what they would recommend for the upgrades. Commissioner Hall suggested sending out a brief survey to these individuals to see from their perspective how they would prioritize certain items so that LEPFA can maximize their spending in terms of the customer. Scott stated that Mindy has reached out to customers for feedback and the big questions is "Will this affect my event?" Scott stressed that we try, for events, that there is little no impact on events that are taking place during a renovation. For stakeholders and partners, Scott agreed and stated they will put something together to disburse feedback. Commissioner Hankwitz asked if access control was considered for the $5 million list presented. Scott confirmed it is. Commissioner Sudol agreed that the list presented was well put together, his suggestion is to make sure this opportunity focuses on revenue generation and operational efficiency.

   The 1.5 million for Jackson Field list Scott will be sending to the board for review. Most of the of the list are Major League Baseball standard items. Scott gave kudos to Tristan for putting the list all together with assistance from Kasey who helped in the formatting of the list.

Jordan Hankwitz entered the meeting at 9:13 a.m.

2. **Rebrand Focus Groups:** Scott gave an update on the rebrand initiative and shared that he is in the midst of putting together an external and internal focus group. The internal group will be made up of a couple of board members, staff members, and some people from the City. The external group will be made up of customers, sponsors, partners, and some City county people. This is to go over the rebranding of LEPFA, Scott is looking to possibly have these focus groups meeting in August.
3. **Lansing Center ATM:** Scott reported that the ATM at the Lansing Center is outdated. Kirby and Scott will be looking into updating the ATM. PNC declined bringing in one of their ATMS

into the Lansing Center. However, Scott spoke to Michigan State University Federal Credit Union (MSUFCU), and they are interested.

4. **National Horseshoe Pitching Association Championship:** Scott noted that the National Horseshoe Pitching Association are here in the Lansing Cetner and have been wonderful guests. They have been very active out in the community. There are 48 states and 4 countries with someone as far as Norway. Scott invited the Board to come and take a look at the event as the Lansing Center is excited to host this event.
5. **Out of The Office:** Scott shared he will be out of the office next week as he will be attending the 2023 IAVM Venue Connect conference in Pittsburgh, PA. He will have his laptop/cell phone should anyone need to reach him.
6. **Timeline of Events:** In regard to the financials, Scott and Kirby will be working on the timeline of events and will be putting together some in depth detailed deadlines for items moving forward so the Board can see the marks that need to be achieved for the financials.

Danielle Lenz exited the meeting at 9:20 a.m.

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

7. **Mindy Biladeau**
   a. **Sales Report:** For the month of June, building rental was over $70,000. June was a strong month as the summer months have been busier compared to previous years. Looking at year end of fiscal year 2023 sales will end at 112% to budget with exceeding rental budget goal by $85,000+. Going into fiscal year 2024, sales are currently at 87% of the rental budget goal with $1,600 ahead of pace and it continues to grow.
   b. **Silver Bells:** "It is Christmas in July" Mindy stated. This means all things start for Silver Bells 2023. This year the event is on Friday, November 17. Fundraising has kicked off aiming for 200,000+ for revenue. Grand application, Silver Bells was awarded $10,000 (which was the max award) for marketing. The electric light parade applications became available on July 1st along with marching band and vendor applications. Should anyone inquire about these items they can go to SilverBellsInTheCity.org. The 5k registration is open and with no promoting there have already been sign ups.

   Commissioner Sudol asked in terms of the financials the F&B revenues are down but building rental is up and asked why we are seeing some significant decline. Paul explained that the financial report goes to April and the 1st quarter for this fiscal year was one of the most challenging ones that have happened in foodservice with 50% behind the previous year. Since then, quarter three and quarter four are strong so when they come out, they will show a closer report. Commissioner Sudol then asked if the stipulations for plated meals are still in place. Paul stated that they are, to a certain extent, they have improved by 20%. Scott added that they have been looking into what other venues are doing in terms of plated meals and no one is telling people that they can't do plated meals, but they are telling them they can't do plated meals. Commissioner Sudol asked if the policy is in writing for a current booking policy in terms of how the Lansing Center is currently operating and asked if this could be shared. Mindy stated it is on the catering website and is discussed with clients during their PreCons.

8. **Paul Ntoko:**
    a. **Horseshoe Pitchers Association:** Paul added to Scott's report by addressing the impact that the Horseshoe event has had on the Lansing Center for the month of July. Paul explained that July is one of the slower months for the Lansing Center in terms of foodservice and sales.
    b. **Groesbeck Golf Course:** Paul reported that Groesbeck did not have a great month for the month of June, which was expected due to extremely warm temperatures throughout June. This cut down on tee times during the middle of the day when temps are at their peak. Overall, however, Groesbeck is still trending above at almost 3% in rounds. This almost matches on the food service side as well. July is trending higher as well.
    c. **Food Contribution:** Paul shared that in total for the year LEPFA has returned/contributed over 5,000 pounds of reusable food to the Greater Lansing Food Bank.

Danielle Lenz entered the meeting at 9:25 a.m.

9. **Heidi Brown:**
    a. **Current Vacant Positions:** Heidi began by reporting on the full-time positions that are currently vacant.
        i. ***HR/Payroll Coordinator:*** Heidi is reviewing applications for this position and is hoping to have interviews set up next week.
        ii. ***Marketing Manager:*** The position has been posted.
        iii. ***Payables Accountant**:* This is a title change and was the Accounts Analyst Administrator. This position has been posted and is to come down July 28.
        iv. ***Receivables Accountant:*** This is a title change and was the Box Office Coordinator. This position has been posted and is to come down July 28.
        v. ***Receptionist:*** This position is currently vacant. At this time there is a part-time staff member filling in as they look into the opportunity of this position remaining part time or continuing to have a full-time position. Heidi thanked Kasey McFadden and Marci Sullivan for their willingness to help with coverage until a decision is made.
        vi. ***Banquet Servers/Cooks/Event Staff**:* Heidi continues to work on hiring banquet server positions and cook/dishwasher positions have been reposted. Mindy has also posted event staff positions as well.
    b. **New Staff Hired:** Heidi shared that they hired Frances Miller who is the new Accounting Manager and joined Kirby and the Finance team on June 20th.

c. **Collective Bargaining Positions:** Heidi noted that July 1st is the annual time for reposting collective bargaining agreement positions that is because rates increase on July 1. All of these positions have been updated and reposted.

d. **LEPFA U/Flu Clinic:** Heidi gave an update on LEPFA U as it was on a break from the last session in the Spring. The committee will be pick up their meetings the first week of August for the second session of the 2023 year. This session will be held on November 1st and the topic will be Work/Life Balance. Heidi is also working on getting a flu shot clinic at the Lansing Center for all LEFPA staff.

e. **Employee Performance Reviews:** Lastly, Heidi noted that coming up Employee Performance reviews will be taking place.

10. **Tristan Wright:** No Report.

11. **Kirby Doidge:**
Investment Regulations/Policies: Kirby has held two meeting with PNC bank to go over process efficiency and fraud protection. PNC mentioned that LEPFA's current interest rate is 6.7%, which does not cover fees for banking with PNC. Kirby noted that there are two options: one, an interests baring account (2.67%), or a sweeping account (2.5%)**.** The main reason for these meetings is to investigate what the rules and regulations are. The second part was fraud protection as Kirby shared that physical checks are being washed people will get their hands on one's physical check and will put their name on it and cash it. Again, process and procedure improvement to be more efficient with as little human error as possible is one of Kirby's main focus. Scott added that for the policy on investments, there currently is no board policy so Scott will be reaching out to the City attorney to see what the City has a policy and see if it is something that can be looked at.

VII. COMMISSIONERS AND STAFF COMMENTS:

1. Commissioner Kenric Hall: Commissioner Hall started by thanking the board for their approval for next fiscal year as Chair of the board. Commissioner Hall stated that he and Scott started to look into the upcoming year for Board committee assignments. They would like to ask the commissioners to devote an extra hour of time each month to serve on a second committee to help benefit the organization, the committees, and the Board as a whole. This can also spark better collaboration, input, and guidance from the board members from a committee standpoint. The committees will be sent out by Scott. Scott added that for committees there cannot be more than four members who serve on a committee due to quorums.

VIII. OLD BUSINESS:

1. **GLCVB & LEPFA Executive Committee Joint Meeting:** Chair Leatherwood spoke on the joint executive committee meeting between LEPFA and the CVB executive committee members. Commissioner Sudol explained that the CVB board took initiative to move forward with terminating their agreement with LEPFA effective December 31, 2023. Commissioner Hall

added that with the agreement being canceled, there is interest and opportunity from the CVB to have further conversations and discussions for a future agreement. Commissioner Lenz asked if the contract is terminated if LEPFA is still looking into working with the county. Scott confirmed that they are still in talks with the county.

IX. **NEW BUSINESS:** None

X. **AJOURNMENT:** Motion was made to Adjourn the LEPFA Board of Commissioners Monthly Meeting. **MOTION:** Commissioner Lenz **SECOND:** Commissioner Mickens **MOTIONED CARRIED**

Chair Leatherwood thanked the board for the opportunity to serve as LEPFA Chair for the fiscal year 2023.

At 9:42 a.m. the regular monthly meeting was adjourned.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:
TUESDAY, AUGUST 22, 2023
8:00 a.m.
LOCATION: Room 201

Respectfully submitted,

Kasey McFadden

Kasey McFadden, Recording Secretary