

**LANSING ENTERTAINMENT AND PUBLIC FACILITIES AUTHORITY  
BOARD OF COMMISSIONERS MEETING  
MAY 23, 2017  
MINUTES**

At 8:00 a.m. Chairman Tim Kaltenbach called the meeting to order in Rooms 204-205 of the Lansing Center; 333 E. Michigan Avenue; Lansing, Michigan 48933.

**COMMISSIONERS PRESENT:** Tim Barron, Cindy Bowen, Eric Brewer (Ex-Officio), James W. Butler III, Robert Johnson (Ex-Officio), Tim Kaltenbach, Charles Mickens and Linda Sims-Wright.

**COMMISSIONERS EXCUSED:** Angela Bennett (Ex-Officio), Price Dobernack, Charles Janssen.

**OTHERS PRESENT:** Scott Keith, Jennifer McFatridge, Scott Horgan, Paul Ntoko, Tristan Wright, Shelly Busse, and Audrey Tipper - Lansing Entertainment & Public Facilities Authority; and Jack Alexander.

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

**IV. PUBLIC COMMENT:** Jack Alexander asked Scott if he plans to make any field equipment purchases and asked how the new boards are coming along? Scott stated new equipment will include an aerator, spreader, and mower. There is no new news to report regarding the boards.

**V. APPROVAL OF THE MINUTES OF APRIL 25, 2017:** Approval of the minutes as published.

MOTION: Commissioner Butler

SECOND: Commissioner Mickens

**VI. REPORTS:**

**A. CHAIRMAN'S REPORT:** None.

**B. FINANCE COMMITTEE REPORT:** Secretary/Treasurer Cindy Bowen reported the committee met yesterday and requested Jennifer McFatridge review April 2017 financial information as follows:

**1. Lansing City Market**

Chart 1: City Market Revenue Review

This chart represents a 3-year comparison of actual revenue compared to budget for April, as well as a 3-year view of YTD actuals compared to YTD budget. YTD Operating Revenue has increased by \$3,500 compared to last year.

Chart 2: City Market Expense Review

This chart represents a 3-year comparison of actual expense compared to budget for April, as well as a 3-year view of YTD actuals compared to YTD budget. Overall, our monthly expenses came in under budget by \$2,100

while our YTD actual Operating expense came in \$25,000 under YTD budget. Largest category to be impacted was Utilities. We recognized a savings of \$1200 compared to last year.

**Chart 3: YTD Revenue and Expense compared to Annual Budget**  
This chart is a view of where the City Market is through April when compared to the fiscal year budget. The market has contained its expenses to 70% of the expense budget with 2 months remaining in the year. Switching to revenue, the market has captured 73% of the revenue budget with 2 months remaining in the year. At the end of 10 months, excess revenue over expense is ahead of budget.

**Chart 4: City Market Unreserved Equity**  
This chart shows a 3-year comparison of Unreserved Equity. Through 10 months, unreserved equity continues climbing but has work to do to reach the numbers reflected in FY15.

## **2. Cooley Law School Stadium**

**Chart 1: Cooley Law School Stadium Expense Review**  
This chart represents a 3-year comparison of actual expense compared to budget for April, as well as a 3-year view of YTD actuals compared to YTD budget. Overall, our monthly expenses came in over budget by \$6,176 while our YTD actual expenses came in over budget by \$9,965. A few factors that attributed to this increase include: Maintenance labor (repair work) allocated to the Stadium (\$1700), Maintenance of Facilities included the and Injection for the turf (\$4500) as well as heat exchanger repairs to the visiting team locker room (\$430), and within the Concessions/Catering there was a bad compressor/parts needed to repair a cooler \$2800, in addition to filters purchased for concession equipment (\$640). YTD Operating Expense has increased by 12% or \$33,789 compared to last year with Utilities, Maintenance of Facilities and Concessions/Catering categories providing the biggest impact.

**Chart 2: YTD Actual Expense compared to Annual Budget**  
This chart is a view of where the stadium is through April when compared to the fiscal year budget. The stadium actual operating expenses to date reflect 87% of the annual budget with 2 months remaining in the year.

**Chart 3: Cooley Law School Stadium Unreserved Equity**  
This chart shows a 3-year comparison of Unreserved Equity. Through 10 months, unreserved equity dipped below pace with FY 15 and FY16, but continues to reflect the

\*Commissioner Barron entered the meeting at 8:06 a.m.

same trend as is typical of April (startup of Baseball season), hoping to see a slight tick upwards in May.

### **3. Lansing Center**

#### **Chart 1: Lansing Center Revenue Review**

This represents a 3-year comparison of actual revenue compared to budget for April, as well as a 3-year view of YTD actuals compared to YTD budget. YTD Operating Revenue has increased by 20% or \$975,104 when compared to last year. Some events that contributed to a successful month included Mary Kay, MI Townships Association, MI HR Day, Jackson National Life and Lansing Promise.

#### **Chart 2: Lansing Center Expense Review**

This reflects a 3-year comparison of actual expense compared to budget for April, as well as a 3-year view of YTD actuals compared to YTD budget. YTD Operating Expense has increased by 10% or \$571,428 when compared to last year with the largest contributing factor being Event Expenses.

#### **Chart 3: Lansing Center Revenue Budget to Actual**

The blue part of the bar represents our FY17 YTD Budget, while the orange part of the bar represents the amount that we exceeded or fell short of meeting the budget for revenue. YTD Revenue has exceeded budget by more than \$1.4M.

#### **Chart 4: Lansing Center Expense Budget to Actual**

The blue part of the bar represents our FY17 YTD Budget, while the orange part of the bar represents the amount that we exceeded or fell short of meeting the budget for expense. YTD Expenses has exceeded budget by more than \$980,000.

#### **Chart 5: Lansing Center Unreserved Equity**

This represents a 3-year comparison of Unreserved Equity. Through 10 months, unreserved equity continues an upward climb exceeding our high point from FY15.

#### **Chart 6: Lansing Center Unearned Revenue-Advance Rent**

This represents a 3-year comparison of Unearned Revenue-Advance Rent which is an indicator of future business. Unearned Revenue-Advance Rent has plateaued through the last few months and has work to do to reach the numbers reflected in FY15.

#### **Chart 7: YTD Revenue and Expense to Annual Budget**

This is a view of where the Lansing Center is through April when compared to the fiscal year budget. The Lansing Center expenses are 98% of the expense budget with 2 months remaining in the year. At the end of 10 months, expenses are up to budget. Switching to revenue, the Lansing

has captured 111% of the revenue budget with 2 months remaining in the year. At the end of 10 months, excess revenue over expense is ahead of budget.

Secretary/Treasurer Cindy Bowen made a motion to accept the February 2017 financials for the Lansing City Market, Cooley Law School Stadium and the Lansing Center be received as published and further that the monthly expenses for each entity be accepted.

MOTION: Commissioner Bowen                      ACCEPT: Commissioner Sims-Wright  
Motion unanimously carried

**C. PRESIDENT & CEO REPORT:** Scott Keith reported the following:

1. **Director of Sales:** The CVB has hired Kristy Doak as the CVB/Lansing Center Director of Sales. Scott reviewed Kristy's background. A Press Release; to include Kristy's information along with the importance of regional collaboration, will be sent soon. Kristy's first day will be Tuesday, May 30, 2017.
2. **City Market:** Financial numbers for the City Market look great. There are several events coming up. Sponsorships are needed for a few of these events; the Grand Concert Series is one of those events. Very pleased with the progress at the Market as we continue to work to get new tenants.
3. **Groesbeck:** City Council proposed an amendment to take the golf course back to Parks and Rec Dept. and the Mayor vetoed that proposal. Council will meet again next Wednesday to see if they can get the votes to override. Scott reviewed the new entrance's construction and stated the complaints are not coming from the people who live in the area being discussed. Bob Johnson (Ex-Officio) stated the City has been looking at this as an entrance for many years; this construction idea is nothing new. Eric Brewer stated City Council is not against the Groesbeck plan, Council would like to have more information before making a recommendation.
4. **Common Ground:** Ticket sales are doing well; there seems to be a lot of excitement. Last year we received a lot of verbal feedback regarding security of the festival. After yesterday's attack in Manchester, England it is more important than ever we stay vigilant about security.
5. **Prime Fest:** As reported last week; MiEntertainment will hold this two day music event in September. Kevin Meyer asked that LEPFA be involved with this event. LEPFA will be "quietly" involved in this event; supplying mostly food and beverage and operational support.
6. **Agreement:** LEPFA has entered into an agreement with Gagliardi and Associates to help us learn and understand more about Michigan Liquor Control. This relationship will also help us with outside liquor service and new events. Scott stated this is a reasonable contract and is a one year term.

7. **Sponsorship Agreement:** The agreement with Heather Ricketts ended and we have entered into a new agreement with M3 Group.
8. **Customer Advisory Board:** A meeting for this group has been scheduled for June 20, 2017. Several new customers have been added to this group.
9. **Healthcare Renewal:** The renewal for LEPFA's healthcare benefits was completed last week. There is good news and bad news that comes with the renewal. The employee cost has been reduced, but the out of pocket maximum has increased.

**10. Miscellaneous:**

- End of fiscal year: working on a lot of cleaning & staffing projects
- The Mackinac Public Policy Conference is next week
- The Lugnuts suite is available for this upcoming weekend; please contact Shelly or Scott is interested
- Thank You note received from Cora Hugley – LEPFA's first President/CEO
- The Children's Trust event was held recently; as always, a great event
- Scott distributed an article from the Chamber Leadership Circle
- Scott asked Commissioner Barron to share the contents of a letter he received from a former employee. Commissioner Barron reviewed the letter; noting it was well written and professional in its demeanor. We will wait for a response from our attorney to see if we should respond. Commissioner Sims-Wright stated the former employee also posted on social media.
- A "LEPFA website/Press Release" section has been added to the Administrative report

**D. PERSONNEL COMMITTEE:** Scott reported on behalf of Commissioner Dobernick; noting the Committee is working on the CEO annual review.

**E. STRATEGIC PLANNING COMMITTEE:** No report.

**F. VICE PRESIDENT/STAFF REPORTS:**

1. Heidi Brown: The annual benefits enrolment session has been completed and Heidi reviewed changes to the new policy. There are currently four full-time positions open. We are sitting at 97 accident free days. Currently working on LEPFA U agenda scheduled for September.
2. Paul Ntoko: The Food & Beverage department is shifting its focus to Common Ground and Groesbeck. The liquor license for the beverage cart at Groesbeck has been received.

**VII. COMMISSIONER AND STAFF COMMENTS:**

- A. Commissioner Sims-Wright: Commissioner Sims-Wright thanked Scott for LEPFA's support of the Community Pillar Award event and thanked Tristan and Kevin for attending.
- B. Commissioner Bowen: Commissioner Bowen stated Scott and Jack Schripsema asked her to bring a report to each (LEPFA and CVB) Board meeting any updates to the CVB and LEPFA. Commissioner Bowen reported Lansing had a record high in 2016 hotel stays; and 2017 appears to be on an upswing as well. Lansing is currently trending higher than the Ann Arbor/Ypsilanti area. There are currently 7 or 8 properties in development; three of those properties will open in 2018. Both the Sales Director position and the Sales Manager position (CVB) have been filled. The team will have to strategize how to book future business due to overlapping dates for many groups.

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

**IX. NEW BUSINESS:** No report.

**X. ADJOURNMENT:** At 8:56 a.m. the meeting was adjourned.

**THE NEXT MONTHLY MEETING IS SCHEDULED FOR:**

**(REMINDER: NO MEETING IN JULY)**

**AUGUST 22, 2017  
LANSING CENTER – GOVERNOR'S ROOM**

Respectfully submitted,  
Shelly Busse, Recording Secretary