

**LANSING ENTERTAINMENT AND PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
SEPTEMBER 26, 2017
MINUTES**

At 8:00 a.m. Chairman James W. Butler III called the meeting to order in the Governor's Room of the Lansing Center; 333 E. Michigan Avenue; Lansing, Michigan 48933.

COMMISSIONERS PRESENT: Tim Barron, Eric Brewer (Ex-Officio), James W. Butler III, Price Dobernick, Charles Janssen, Robert Johnson (Ex-Officio), Larry Leatherwood, Charles Mickens and James Stajos.

COMMISSIONERS EXCUSED: Angela Bennett (Ex-Officio), Cindy Bowen

OTHERS PRESENT: Scott Keith, Jennifer McFatridge, Scott Horgan, Paul Ntoko, Tristan Wright, Heidi Brown, Shelly Busse - Lansing Entertainment & Public Facilities Authority; Jim Smiertka, Heather Sumner – Lansing City Attorney's Office, Jody Washington – Lansing City Council, and Jack Alexander.

III. ESTABLISHMENT OF THE AGENDA: No changes to the Agenda.

IV. PUBLIC COMMENT: Jack Alexander asked Scott when he will seek Capital funds for the digital boards for the stadium and will the structures be replaced as well. Scott stated the request is for the coming fiscal year and no, the structures will not be replaced; only the boards.

V. APPROVAL OF THE MINUTES OF AUGUST 22, 2017: Approval of the minutes as published.

MOTION: Commissioner Barron SECOND: Commissioner Dobernick

*Robert Johnson (Ex-Officio) entered the meeting at 8:09 a.m.

VI. REPORTS:

A. CHAIRMAN'S REPORT: None.

B. FINANCE COMMITTEE REPORT: Commissioner Barron reported the Committee was unable to meet yesterday and in the absence of Chair Cindy Bowen, he asked Jennifer to report financial information for the month of August 2017.

Jennifer McFatridge, Vice-President of Finance reported the following:

Lansing City Market:

Chart 1: City Market Revenue Review

This a 3 year comparison of actual revenue compared to budget for August, as well as a 3 year view of YTD actuals compared to YTD budget. YTD Operating Revenue has decreased by \$3,900 or 21% when compared to last year. This is attributed to Red's Smokehouse, some daily booth rentals and a short-term vendor exiting the market.

Chart 2: City Market Expense Review

This is a 3 year comparison of actual expense compared to budget for August, as well as a 3 year view of YTD actuals compared to YTD budget. Overall, our monthly expenses came in under budget, relatively flat to last year. We are recognizing a savings in Salaries and Wages due to the current vacancy in the market manager role, however this savings was offset by professional services category with lease updates and renewals.

Chart 3: YTD Revenue and Expense compared to Annual Budget

This is a view of where the City Market is through August when compared to the fiscal year budget. The market has contained its expenses to 16% of the expense budget while capturing 14% of the revenue budget. At the end of the second month of the fiscal year, excess revenue over expense is behind budget.

Chart 4: City Market Unreserved Equity

This is a 3 year comparison of Unreserved Equity. At the end of the second month of the fiscal year, unreserved equity is following the trend of the last two fiscal years by dipping slightly.

Cooley Law School Stadium:

Chart 1: Cooley Law School Stadium Expense Review

This is a 3 year comparison of actual expense compared to budget for August, as well as a 3 year view of YTD actuals compared to YTD budget. Overall, our monthly expenses came in under budget by \$2,900 with utilities and salaries/wages providing the most impact. YTD Operating Expense has increased by \$23,000 compared to last year with the supplies/materials categories providing the biggest impact. This increase is attributed to the replacement of the nets.

Chart 2: YTD Actual Expense compared to Annual Budget

This is a view of where the stadium is through August when compared to the fiscal year budget. The stadium has contained its expenses to 22% of the expense budget.

Chart 3: Cooley Law School Stadium Unearned Reserved Equity

This is a 3 year comparison of Unreserved Equity. At the end of the second month of the fiscal year, unreserved equity dipped below ace with July FY 15 and July FY 16.

Lansing Center:

Chart 1: Lansing Center Revenue Review

This is a 3 year comparison of actual revenue compared to budget for August, as well as a 3 year view of YTD actuals compared to YTD budget. YTD Operating Revenue has increased by 39% or \$147k when compared to last year. Some events that contributed to a successful month included: Triton Industries, The Leona Group, and Choice Schools

Chart 2: Lansing Center Expense Review

This is a 3 year comparison of actual expense compared to budget for August, as well as a 3 year view of YTD actuals compared to YTD budget. YTD Operating Expense has increased by 6% or \$53k when compared to last year with Utilities and Event Expenses providing the largest impact.

Chart 3: Lansing Center Revenue Budget to Actual

The blue part of the bar represents our FY18 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 exceeds budget by more than \$50K.

Chart 4: Lansing Center Expense Budget to Actual

The blue part of the bar represents our FY18 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 exceeds budget by \$784.

Chart 5: Lansing Center Unreserved Equity

This represents a 3 year comparison of Unreserved Equity. The first two months of this fiscal year plot the value at a stronger point when compared to the prior two fiscal years. However, we still have work to do to reach our high point of FY17.

Chart 6: Lansing Center Unearned Revenue-Advance Rent

This is a 3 year comparison of Unearned Revenue-Advance Rent which is an indicator of future business. Unearned Revenue-Advance Rent has dropped slightly when compared to our prior two fiscal year starts but is showing signs of growth.

Chart 7: YTD Revenue and Expense to Annual Budget

This is a view of where the Lansing Center is through August when compared to the fiscal year budget. The Lansing Center expenses are 14% of the expense budget. At the end of the second month, expenses are up slightly to budget with Event Expense providing the greatest impact. Switching to revenue, the Lansing Center has captured 9% of the revenue budget. At the end of the second month, excess revenue over expense is ahead of budget.

Chairman James W. Butler III asked for a motion to accept the August 2017 financial statements for 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 Barron ACCEPT: Commissioner Dobernick
Motion unanimously carried.

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

1. City Council Presentation: The presentation made to Council's Committee of the Whole on August 28th went very well. The updates provided were well received and a commitment was made to do this type of presentation more regularly.
2. Stadium: The Stadium is busy with scheduled outside events this fall. An award previously given for field is no longer given; but the Lugnuts' grounds was still recognized – the new turf and grounds equipment helped to maintain appearance.
3. Groesbeck: A walk-through of the course was done last week. Work on transition meetings has begun and will be scheduled over the next few weeks. The newly reconstructed holes are very nice and prove to be challenging.
4. PrimeFest: Although LEPFA was not involved; some of LEPFA's staff did attend to observe the event. The City sent an invoice to the festival for about \$18,000 - \$19,000 and CPP also sent an invoice for around \$10,000. Attendance was high; with around 6,000 attending Friday's show and over 12,000 in attendance for Saturday's show. There were two medical transports on Friday night and four transports on Saturday night. Councilwoman Jody Washington stated she received several noise complaints from residents and suggested perhaps Blues Festival and PrimeFest should not have been scheduled on the same weekend. She also suggested moving the speakers to a different location to combat the noise. Scott stated wind direction also has an impact on the noise level.
5. Lansing Center: There will be new digital screens added to Lansing Center soon. These new screens will create an opportunity for more sponsors. A new POS system for the Food & Beverage Department will be installed next week. This system will utilize an iPad and Square type method – much like so many other businesses use now. First Quarter numbers are strong and the month of September will be strong as well. New Customer Evaluations are in place and this will be one of the last times you will view the Customer Evaluation report in its current format.

6. **Chili Cook-Off:** This year's event is scheduled for this Friday, September 29th. Gates open at 5:30 p.m. There are 25 restaurants participating.
7. **Color Run:** This event was moved to the fall and takes place this Saturday and will end at the stadium.
8. **Misc.:** A group photo of the Board will be taken after the meeting; please stick around. The photo will be placed on the LEPFA website along with the names listed of the Board members.
LEPFA U was held on Monday, September 11th and for those staff members who have attended all three sessions throughout the year, a BBQ tool set was awarded to each. There are extra BBQ sets available, please help yourself to one before you leave today.

D. PERSONNEL COMMITTEE: Commissioner Dobernack stated he was not able to attend the scheduled Committee meeting so it has been rescheduled.

E. STRATEGIC PLANNING COMMITTEE: Commissioner Mickens reported the Committee met last Friday; noting there were no action items on the Agenda. An update on the City Market and potential alternatives for the City Market was provided. Commissioner Janssen reported on the City Hall proposals received by the City; noting this was a very good and thorough process – also stated a final recommendation has not been made yet. Robert Johnson (Ex-Officio) also reported on the process and stated the panel is moving quickly to publish the recommendations.

F. VICE-PRESIDENT/STAFF REPORTS:

1. **Heidi Brown:** Working on Employee annual evaluations; which should be completed by October 4th. Job descriptions continued to be reviewed. The vacant Catering Sales position has been filled by an internal candidate. A review of LEPFA U was provided and noted the session was very good. A Flu Shot Clinic for staff covered by our health insurance has been scheduled for October 10th. Work has begun on this year's CAUW Campaign. An employee referral/incentive program is also in the works.
2. **Tristan Wright:** Tristan reported on the active shooter table-top exercise that was provided during LEPFA U on September 11th. This exercise took the participants through an active shooter situation and how to respond.
3. **Scott Horgan:** The two vacant Event Coordinator positions have been filled and both are doing well in their new roles. So far, this has been a smooth transition for both staff and our customers.
4. **Scott Keith:** We are focusing on customer service/experience for both internal and external customers; noting how internal customers are treated directly affects how external customers are treated.

VII. COMMISSIONER AND STAFF COMMENTS:

- A. **Commissioner Janssen:** Commissioner Janssen stated he attended the Lansing Promise breakfast event held at Lansing Center and noted the food and service were excellent.

- B. Jim Smiertka: Jim introduced an addition to the Assistant City Attorneys list – Heather Sumner.
- C. Commissioner Barron: Commissioner Barron stated he attended the PrimeFest festival and noted it was wonderful to see so many young, happy people enjoying Lansing. The feeling is that the attendees left having had a good experience in Lansing that they will share with others. This event was very different from Common Ground and thinks Common Ground should be marketed to an older crowd and utilize this event for the younger people (this is just "thinking out loud"). Commissioner Barron also reminded everyone of the Lansing Promise Balloon Challenge this weekend.
- D. Chairman Butler: Chairman Butler reported MSHDA held an event at Lansing Center last week and as always, the staff did a great job. This event was personally handled by Chairman Butler and he stated he was very proud.

VIII. OLD BUSINESS: No report.

IX. NEW BUSINESS: No report.

X. ADJOURNMENT: At 8:50 a.m. the meeting was adjourned.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:

**NOVEMBER 28, 2017
LANSING CENTER – GOVERNOR'S ROOM**

Respectfully submitted,
Shelly Busse, Recording Secretary