

**LANSING ENTERTAINMENT AND PUBLIC FACILITIES AUTHORITY  
BOARD OF COMMISSIONERS MEETING  
JANUARY 22, 2019  
MINUTES**

At 8:04 a.m. Chairwoman Cindy Bowen, called the meeting to order in the Governor's Room of Lansing Center, located at 333 E. Michigan Avenue; Lansing, Michigan 48933.

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

**COMMISSIONERS EXCUSED:** Angela Bennett (Ex-Officio) and Brian McGrain (Ex-Officio).

**OTHERS PRESENT:** Scott Keith, Jennifer McFtridge, Scott Horgan, Paul Ntoko, Tristan Wright, Heidi Brown, Shelly Busse - Lansing Entertainment & Public Facilities Authority; Mark Kettner – Rehmann Robson, and Jack Alexander.

**III. ESTABLISHMENT OF THE AGENDA:** No changes.

**IV. PUBLIC COMMENT:** No public comment.

**V. APPROVAL OF THE MINUTES OF NOVEMBER 27, 2018:**  
Chairwoman Bowen asked for a motion for approval of the minutes as published.

MOTION: Commissioner Barron      SECOND: Commissioner Janssen  
Motion unanimously carried.

**VI. REPORTS:**

**A. CHAIRWOMAN:** Chairwoman Bowen noted the Employee of the Year presentation has been moved to next month's meeting.

**B. FINANCE COMMITTEE :**

1. **FYE 2018 Audit Review:** Jennifer introduced Mark Kettner, of Rehmann Robson. Mark is here to present the FY2018 Audit findings.

Mark stated he is here to provide a small report; but more so to answer any questions anyone may have about the audit. Mark reviewed page 1 of the "Unmodified Clean Opinion" noting there are two additional columns. This is because Groesbeck has been added along with a "Gasby Statement 80" (which is for non-profits that have a sole member as does Center Park Productions). Mark reviewed the Income statement's net positions for each property. Before taking questions, Mark stated there is a separate letter noting there are "no findings", which is a good thing.

Eric Brewer (Ex-Officio) asked when the audit was started and when was this letter issued? Jennifer stated the audit started on October 22, 2019 and the date of the letter is December 14, 2018.

Eric Brewer (Ex-Officio) asked how LEPFA's healthcare is structured. Scott stated LEPFA uses a broker for insurance; employees pay a portion of the premium of the insurance and LEPFA covers the difference. Mark Kettner explained the differences between how the City handles insurance vs. how LEPFA handles insurance costs.

Finance Chair James Stajos stated he reviewed the audit last week and is very happy with the audit findings and stated Jennifer and her team did a great job.

**2. December 2018 Financial Review:** Jennifer reported the following financial information:

**a. Groesbeck Golf Course:** December Operating Revenue indicates a traditional golf season that ended. The sole revenue for December was the purchase of a gift round of golf for future use. December revenue is up to budget for the month as well as YTD. Switching to expense, Operating Expenses finished down to budget for the month but were up YTD. Categories providing the largest impact to the budget include Fringe/related costs, Communications and Maintenance of Equipment. In the category of Fringe/Related Costs as I have mentioned the last few months, the budget for Fringe/Related expenses will need to be adjusted for FY20. We are building the FY20 budget and have reviewed our allocation process in order to have a better target. In the category of Communications, the expense is related to the invoice from ACD for the Fiber project. Finally, in Maintenance, the expenses are related to equipment repair and winterization of equipment.

**b. Lansing City Market:** December Operating Revenue is up to budget for the month and YTD. Building revenue has dropped by 12% and Operating revenue has dropped by 17% when compared to the prior year. Overall, Operating expenses finished up to budget for the month as well as YTD. The category providing the largest impact to the budget is Professional Services. In this category, 97% of the expense is legal fees. We continue to review all anticipated expenses to determine when the City of Lansing subsidy we receive will be depleted and the market will need to close. We have \$20,350 remaining due to us for the remainder of the fiscal year.

**c. Cooley Law School Stadium:** Operating Revenue at Cooley Law School Stadium typically comes from the ATM machine that is positioned on the concourse. Revenue is down to budget for the month as well as YTD. Overall, Operating expenses finished down to budget for the month as well as YTD. The categories providing the largest impact to the monthly budget were Utilities and Maintenance of Facilities. While the utilities category is down to budget for the year and relatively flat to last year, we received a corrected invoice to address a water service meter that has been deemed stuck since 2017. The value of that correction is about \$5800 with LEPFA's

share being \$2900. In Maintenance of Facilities, there were a few Trane repairs equating to \$2800. An ignitor kit was replaced, a service call for the West End not heating and a reset of an alarm switch.

**d. Lansing Center:** December Operating Revenue increased over last year nearly \$12,000 or 3.5%. December revenue is down to budget for the month, however, it is up YTD. There were 5 events that occurred in December 2017 that did not repeat in December of 2018. Of those that did not repeat, four of them had nearly \$20k in Food and Beverage, all of them had Equipment rental of \$2k and rent of \$5k. The flip side of this is we have 4 events that are in December 2018 that did not occur in December 2017, capturing \$23k among rent, food and beverage and Equipment rental. Some events that occurred in December include Midwest Reps Winter Program, Dart Container Holiday Banquet, MYWAY Wrestling and the Greater Lansing Convention and Visitor's Bureau Holiday Showcase. Overall, Operating Expenses finished down to budget for the month, however, were up to budget YTD. Categories providing the largest impact to the December budget include Professional Services, Events, and Security. In Professional Services, there was a System maintenance renewal reflecting expense for Sept-Dec. as the invoice was submitted late from the vendor amounting to about \$3800 as well as the \$3300 expense for our audit report that was completed in December. In Event expenses, 65% of the expense is carpeting for Dart. Finally, in Security, 65% of the expense is attributed to the Wrestling event. Unearned Revenue-Advance rent has established the high point of the fiscal year; increased when compared to last month; remains strong when compared to last fiscal year. At the end of six months of the fiscal year, the Lansing Center has captured 47% of the revenue budget and contained expenses to 48% of the budget.

Finance Chair James Stajos asked for a motion to accept the December 2018 financial statements for Groesbeck Golf Course, Lansing City Market, Cooley Law School Stadium, and the Lansing Center be received as published and the monthly expenses for each entity be accepted.

MOTION: Commissioner Barron      ACCEPT: Commissioner Mickens

Motion unanimously carried.

**3. Resolution for Reinstatement of Pension Savings Plan:** Jennifer reported the language in this document has been updated from the 2002 document to reflect current terminology.

A motion was asked to accept the document language changes in the Reinstatement of Pension and Savings Plan.

MOTION: Commissioner Barron      ACCEPT: Commissioner Janssen

Commissioner Stajos stated that it's disturbing that no subsidy has been received and that checks are bouncing for the City Market; noting this is not a good look for anyone.

Commissioner Butler asked if this information has been brought to the attention of the Mayor. Scott Keith stated he and Jennifer will make one last attempt to meet with Angie Bennett before going to the Mayor.

Scott Keith reported a review of the DRAFT Budget will be done with Brian McGrain (Ex-Officio) and then will be brought to the Board for its acceptance in DRAFT form. Scott reported there will be a reduction in subsidy for Groesbeck, and increase of \$90,000 for the Stadium (to cover soccer costs), a slight or no increase for Lansing Center – along with some capital funding requests.

A discussion regarding how soccer revenue will impact on larger repairs/improvements for the stadium was held.

Eric Brewer (Ex-Officio) asked how Capital funds are requested. Scott stated the funds are requested to the City, then City reviews and then makes the decision.

\*Commissioner Leatherwood entered the meeting at 8:46 a.m.

Chairwoman Cindy Bowen asked that the Board be provided with the net amount of subsidy money LEPFA is asking of the City.

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

1. Annual Report: Scott reviewed a document he is providing to the Mayor highlighting LEPFA's 2018 accomplishments.
2. Whiskey Warmer: The event is scheduled for March 1, 2019 and will be held in the Gazebo along the Riverwalk. Scott reviewed the activities and stated tickets will be sold for \$40.
3. Common Ground: We are moving to a concert series throughout the summer. Common Ground and the Lugnuts have partnered together to bring "I Love the 90s" tour. The dates for Common Ground this year have been moved to June 27<sup>th</sup> – June 30<sup>th</sup>, so there is no conflict with the 4<sup>th</sup> of July holiday.
4. Simulator: Groesbeck now has a golf simulator. There are two dates reserved this week for Board members to test it.
5. Funding mechanisms and Stadium: Scott will provide talking points for everyone in case these topics come up in conversation.
6. Business Monthly: Scott Keith was featured in this month's issue in the "Newsmakers" section, page 15.

**D. PERSONNEL COMMITTEE:** Commissioner Butler reported the Committee met last week and discussed the Employee of the Year program. Also on the agenda were evaluations are completed, revisions to the Supervisor's Manual, and recruiting efforts for food service positions at all

properties. Heidi is working with attorneys to make sure that LEPFA is prepared for paid sick leave implementation that goes into effect on March 29<sup>th</sup>. Discussion was also had regarding the Reinstatement of the Pension Savings Plan and updates to the CEO job description.

**E. STRATEGIC PLANNING COMMITTEE:** Commissioner Dobernick reported the Committee met last week and discussed the RFP for the Facilities Audit; noting three proposals were received. Two of the three received were well over budget; the third as well, but by far less. Since the proposal is at the \$30,000 threshold for approval by the Board; a motion needs to be made to approve the expense.

MOTION: Commissioner Leatherwood    APPROVE: Commissioner Barron

**F. VICE-PRESIDENT & STAFF REPORTS:**

**1. Scott Horgan:** The simulator at Groesbeck is installed and in use. The use of the simulator is a private experience for each individual or group. Lessons are one on one.

Ten of 12 season pass members are already paid for next season. We were able to secure our last league as well. MHSAA has approved 2 high school tournaments.

Scott reviewed media coverage Groesbeck is and will receive.

Scott reviewed the 2018 Customer Evaluation Summary; noting all departments scored between 95% and 98% in the Meets/Exceeds category. this survey will also be incorporated into Groesbeck.

\*Commissioner Stajos exited the meeting at 9:18 a.m.

**2. Tristan Wright:** A CPR and tourniquet training class was held on January 29 and 25 full-time staff members attended the training. Tristan also reviewed the autism training that was provided during LEPFA U and stated the Safety Committee will add autism section to the Emergency Procedure Manual.

Tristan reported on stadium activities and getting ready to open it for the season.

Tristan thanked everyone for their continued support of the MLK Jr. Luncheon; noting it was another great event.

Commissioner Dobernick asked how many AEDs are on hand. Tristan stated there are two at Lansing Center, one at the stadium and one will be purchased for Groesbeck.

**3. Paul Ntoko:** Paul reported that in 2018 a record 19,000 pounds of food was donated to the Greater Lansing Food Bank. Paul stated he is currently reviewing management positions between properties.

**4. Heidi Brown:** Heidi stated most of her department's information can be found on the Admin Report. However, highlighted there are many on-call positions available in both facilities and food & beverage.

there have been zero claims for worker's comp. Currently prepping for CBA renewals that take place this spring. Heidi provided a review of LEPFA

that took place on January 10<sup>th</sup>.

Tristan stated Julie Pingston from GLCVB also attended the autism training and she suggested this would be a good thing for many downtown entities to do.

**VII. COMMISSIONER AND STAFF COMMENTS:** No comments.

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

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

**X. ADJOURNMENT:** At 9:41 a.m. the meeting was adjourned.

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

**MARCH 19, 2019**  
**LANSING CENTER – HALL C**

Respectfully submitted,  
Shelly Busse, Recording Secretary