At 8:00 a.m., Chairman Price Dobernick called the meeting to order in the Capitol III Room of the Radisson Hotel; located at 111 N. Grand Avenue; Lansing, Michigan 48933.

**COMMISSIONERS PRESENT:** James W. Butler III, Price Dobernick, Charles A. Janssen, Larry Leatherwood, Charles Mickens, James Stajos, Brian McGrain (Ex-officio), and Shelbi Frayer.

**COMMISSIONERS EXCUSED:** Tim Barron and Cindy Bowen.

**OTHERS PRESENT:** Scott Keith, Scott Horgan, Tristan Wright, Heidi Brown, Paul Ntoko, Jennifer McFatridge, Natalie Glisson, Ashley Proper – Lansing Entertainment & Public Facilities Authority; Sherrie Boak – Lansing City Council; Jim Smiertka – Lansing City Attorney; and Jack Alexander – Public.

I. **ESTABLISHMENT OF THE AGENDA:** Chairman Dobernick stated that he would like to move the Vice President and Staff Reports to follow Public Comment, due to LEPFA staff Delphi training and Vice-President Mike Pence detail.

II. **PUBLIC COMMENT:** Jack Alexander stated that he feels that the new agreement between the CVB and the Lansing Center leaves a door open for the Lugnuts team to depart. Mr. Alexander stated he feels the current funding mechanism is out of date and a total flop.

Scott Keith stated that the agreement is only between the Lansing Center and the GLCVB and there are no other components. The additional funding we are receiving is Hotel Tax money and we can only use that money for the Lansing Center. Scott added that he agrees that the funding mechanism could use improvements, and the team is lobbying hard to get the new hotel tax bill passed, so we can have additional funding.

III. **REPORTS:**

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

1. **Scott Horgan, Vice-President of Sales and Service:** Scott Horgan reported that the Lansing Center is in the process of a Delphi Migration. We are taking our current booking platform and making it a cloud base platform. This will allow us to serve our clients on a larger scale. Our new system will go live today. On February 22, 2020 we did a press release for the save the date for Margarita Fest 2020. Margarita Fest will take place on May 29, 2020 from 5:30 p.m. – 9:00 p.m. Tickets will go on sale on April 1, 2020. Groesbeck Golf Course has now partnered with PGA of Michigan, Youth on Course, and First Tee to have our own Junior League. Greg Webber has been working
to make this possible and they will have tournaments every Sunday evening for an eight-week program starting in the summer.

2. Paul Ntoko, Vice-President of Foodservice: Paul Ntoko reported that we are starting to get ready for the 2020 golf season. We are looking at the surveys we sent out to determine how to proceed. Most individuals have stated the prices and the items offered are great. We hope to have the information to share at the next board meeting.

3. Heidi Brown, Vice-President of Administration: Heidi Brown reported that as of yesterday, we are 100 workers comp claim free days. We are still working through the employee manual and job description updates. The human resources team has worked through the health care summary plan and distributed. We have selected Green Cab Company of Lansing as our new cab provider to transport staff in the event of an injury.

B. CHAIRMAN: Chairman Price Dobernick stated that he does not have any updates at this time.

C. FINANCE COMMITTEE: Commissioner Leatherwood stated that the Finance team met yesterday, and he is fully confident in the report generated by Jennifer McFatridge and thanked the team.

1. JANUARY 2020 FINANCE REPORT: Jennifer McFatridge, Vice-President of Finance, reviewed the following financials:

a. Groesbeck Golf Course: January operating revenue indicates a traditional golf season has ended and the continuation of the simulator golf season. Simulator league revenue is spread out over the season. January revenue is up compared to budget for the month as well as year to date. Operating expenses finished down compared to budget for the month and year to date. Categories providing the largest impact to the overall year to date budget include rents/leases, food and beverage, and miscellaneous. In the category of rents/leases, the variance is attributed to the addition of the utility carts this year. In the category of food and beverage, the expense is related to the concessions labor and the cost of goods purchased. Finally, in the category of miscellaneous, 56% of the year to date expense is bank and credit card processing fees. At the end of January, excess revenue over expenses is ahead of budget.

b. Cooley Law Stadium: Operating revenue at Cooley Law School Stadium typically comes from the concourse ATM machine. Revenue is down compared to budget for the month and for year to date. Fiscal year 2021 budget amount for the ATM has been adjusted because ATM use is declining. Overall, operating expenses finished down compared to the budget for the month and year to date. In the category of salaries/wages/fringes, the expense this year is greater than the prior year. We changed the allocation of Lansing Center labor to the Stadium to reflect positions that impact the Stadium operations. The category providing the largest impact to the year to date budget is utilities. When the fiscal year 2020 budget was created, we planned for a 20% increase in use as stadium events and use of The View has increased. We will
continue to monitor this as the fiscal year continues, with a plan to adjust the utility budget to accurately reflect the smart meter usage. Utilities are up over last year as follows: Electric was up $230 or 3%, gas was up $1,221 or 91%, and water was up $52 or 11% compared to last year. At the end of January, excess revenue over expenses is ahead of budget.

c. **Lansing Center**: January operating revenue increased over last year by nearly $130,000 or 4%. January revenue is up over budget for the month, as well as year to date. January events include Michigan Veterinary Association, Michigan Nursery and Landscaping and Michigan Agri-Business Association. There were eleven (11) events that occurred in January 2019 that did not repeat in January of 2020. Of those that did not repeat, those events accounted for nearly $103,000 in food and beverage, $30,000 in equipment rental and $18,000 in rent. The flip side of this is we had three (3) events in January 2020 that did not occur in January 2019, capturing $13,000 in rent, $16,000 in food and beverage and $9,000 in equipment rental. Overall, operating expenses finished down compared to budget for the month; however, expenses were up for year to date. Categories impacting the January budget include salaries/wages, supplies/materials and events. In salaries/wages, an employee departure resulted in unused vacation payout as well as our IATSE labor being up $9,000 compared to last year. In supplies/materials, the variance is attributed to our migration/update to Delphi FDC. Delphi is the software that is used for booking space and tracking event expenses for the Lansing Center. Finally, in event expenses, 64% of the expense is AV and 13% is for microphones. Unearned revenue-advance rent has increased when compared to last month and remains strong when compared to last fiscal year. At the end of seven months of the fiscal year, the Lansing Center has captured 58% of the revenue budget and contained expenses to 60% of the budget.

Commissioner Stajos questioned the big increase on Marketing and Signage? Jennifer McFatridge stated that it was from Silver Bells and was finally recognized in January.

Shelbi Frayer entered the meeting at 8:17 a.m.

Brian McGrain asked if there was a matching expense line for the Silver Bells items? Jennifer stated that there was a matching expense line in the November report. The team is working through exactly what the numbers are. Jennifer stated that they cannot make any changes to budget to plan for the next event until after the fiscal year ends.

Chairman Dobernick thanked Jennifer McFatridge and the Finance team for the report. Chairman Dobernick requested a motion to accept the January 2020 Financial Statements for: Groesbeck Golf Course, Cooley Law School Stadium, and the Lansing Center as published:

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Motion: Commissioner Janssen
Second: Commissioner Stajos
Motion unanimously carried
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Scott Horgan, Tristan Wright, and Paul Ntoko exited the meeting at 8:19 a.m.

2. **RESOLUTION** to reduce the City of Lansing Subsidy Funding for LEPFA for fiscal year 2020:

   **RESOLVED**: That the Lansing Entertainment and Public Facilities Authority Finance Committee seeks approval to amend the annual allocation of subsidy from the City of Lansing by $250,000 for fiscal year 2020. The reduction, requested by the City of Lansing, will assist the City of Lansing with anticipated shortfalls to their overall fiscal year 2020 budget.

Jennifer McFatridge stated that the City of Lansing has asked the Lansing Entertainment and Public Facilities Authority to reduce the fourth quarter subsidy by $250,000.00. Shelbi Frayer stated that the City has reached out to every entity that they work with and asked for reductions from all entities that receive subsidies. She explained that the City had unfortunately taken some losses as of recently and they do not have the reserves to keep sustainability.

Commissioner James Stajos stated that twenty five percent (25%) of our funding is a lot to ask when our buildings need upgrades and noted that the reserves are not cash, but only on paper.

   Jimmy Smiertka entered the meeting at 8:26 a.m.

Scott Keith stated that he feels confident in LEPFA’s position and we are considering internal changes and keeping an eye on spending for the next four (4) months. He noted we may need to dip into the reserves, but we will keep going.

Shelbi Frayer stated that if there ever comes a time that LEPFA is having financial issues the City can help and step in but for now they need the money.

Chairman Dobernick requested a motion to approve the resolution as presented:

   Motion: Commissioner Leatherwood
   Second: Commissioner Mickens
   Motion unanimously carried

D. **PERSONNEL COMMITTEE**: Commissioner Janssen stated that the committee met last Thursday and everything they reviewed is in the Administration report. He noted there is nothing new to report.

E. **STRATEGIC PLANNING COMMITTEE**: Commissioner Stajos stated that the committee did not meet, so there is no update.

F. **PRESIDENT & CEO**: Scott Keith reported the following:
LEPFA Board of Commissioners Meeting
February 25, 2020

- **LEPFA 2019 Employee of the Year** – Scott introduced Natalie Glisson to the board. Natalie is LEPFA’s HR/Payroll Coordinator. She was selected by her fellow coworkers as the 2019 Employee of the Year. Scott noted Natalie has all the qualities that we look for in a star employee. She goes above and beyond on any task she is given. Scott extended his congratulations to Natalie!

Natalie Glisson exited the meeting at 8:35 a.m.

- **Annual GLCVB Meeting** – Scott stated that the CVB has their annual meeting to give updates and showcase the past year. As Jack Schripsema is retiring, they will be announcing the new CEO of the CVB and Scott stated that he was on the interviewing advisory team for the new CEO. Scott stated that after much consideration Julie Pinington was selected as the new CEO of the CVB. We are looking forward to our continued partnership with the CVB, and the direction Julie will take it.

- **CVB Agreement** – Our CVB agreement has been finalized with the City Clerk’s office. The CVB has put forth Kenric Hall as the board member to represent the CVB. If everything goes through with the application process, he will be at the next LEPFA Board of Commissioners meeting.

- **Lodging Advisory Board** – Scott shared that he now sits on the GLCVB Lodging Advisory Board. He shared that at the meeting he had conversations about the new agreement. He is looking forward to how his position can help our partnerships grow.

- **By-Laws** – We are currently reviewing our LEPFA bylaws. Chairman Dobernick and Scott have decided that the Strategic Planning Committee will review them and recommend changes to them.

- **Silver Bells Recap** – Scott passed out the Silver Bells recap for this year’s event. It was truly a great event and showcased LEPFA’s capability to take on big events. This recap will be used to solicit new sponsors and generate more discussion.

- **John Decker** – Scott reported, John Decker, a long-term board member and a big Downtown Lansing Advocate and just a great guy passed away. Over the summer he was diagnosed with ALS and sadly, he passed away from the disease. Scott shared he attended the memorial and LEPFA sent a memorial contribution to hospice as requested by the family from the Board and staff.

- **Brand Change** – We have been working closely with the M3 Group regarding our brand change launch. A meeting occurred last week, and they presented us with three options, and we made our choice with staff’s help.

- **Chamber Dinner** – Scott offered seats to Board members for the Chamber Dinner on the February 27.

- **City Attorney’s Office** – Scott stated that at the next LEPFA Board of Commissioners meeting we will share with all board members an updated confidentiality and conflict of interest form developed with the City Attorney’s Office. Also, the City Attorney’s office
would like to provide a general review of Board member responsibilities. Scott noted we hope to host this event near the end of March and Ashley will work with Board members to schedule the review.

- **Baseball** – Opening day for the Lugnuts is April 16, 2020. The Lugnuts will take on the Dayton Dragons. This year is the 25th anniversary of the ballpark being open. On April 14, 2020 the stadium will be hosting the annual University of Michigan and Michigan State University Showdown. It will pay homage to the first game ever played in the stadium. The stadium will be offering special prices to reflect the first game prices.

- **Common Ground** – We are changing the way Common Ground functions as a whole. We are moving the festival to the ballpark in hopes of revamping it and see the changes as a win-win for everyone involved.

IV. **APPROVAL OF JANUARY 28, 2020 MINUTES:** Chairman Dobernick requested a motion to approve the January 28, 2020 minutes as published:

   Motion: Commissioner Leatherwood
   Second: Commissioner Mickens
   Motion Unanimously carried

V. **COMMISSIONERS COMMENTS:**

Commissioner Janssen asked if the financial issues with the City will be a continued issue or if it is just a one-time thing? Shelbi Frayer stated that there were many things she found that she has had to clean up. She doesn’t believe that this will continue to occur. She is looking at how to restructure the City’s financial structure.

Jim Smiertka stated that the Attorney’s office is working closely with the City on the IRS issues. Chairman Dobernick stated that in all fairness to the current leadership in the City a lot of the IRS issues are prior to Mayor Schor entering office.

   James W. Butler III entered the meeting at 8:53 a.m.

   There was continued discussion about the budget, as to what we as a team will do to continue to provide excellent customer service.

VI. **OLD BUSINESS:** No old business to discuss.

VII. **NEW BUSINESS:** No new business to discuss.

VIII. **ADJOURNMENT:** At 8:55 a.m. Chairman Dobernick requested a motion for adjournment:
February 25, 2020

Motion: Commissioner Stajos
Second: Commissioner Butler
Motion unanimously carried

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:

TUESDAY MARCH 24, 2020
LOCATION: TBD

Respectfully Submitted,

Ashley Proper CTA, N.P.
Recording Secretary