



AUTHORITY BOARD MEETING

Date/Time: Wednesday, January 25, 2017; 12:00 p.m.

Location: BMO Harris Bank Center (Board Room – Lower Level)
300 Elm Street, Rockford, IL 61101

MINUTES

Board Members Present: Craig Thomas Mike Schirger
 John Phelps Luz Ramirez
 Tom Walsh Sunil Puri
 Howie Heaton

Board Members Absent: Marcus Hill
 Mike Dunn

Others Present: Attorney Tim Rollins
 Alderman Frank Beach

Guests: Lon Rosenberg, SMG Corporate
 Isaac Guerrero, Rockford Register Star

Staff Present: Troy Flynn; Executive Director, BMO Harris Bank Center
 Michelle Evans; Human Resource/Payroll Specialist/RAVE Board Secretary, BMO Harris Bank Center
 Gretchen Gilmore; Director of Finance, BMO Harris Bank Center
 Mike Walsh; Director of Facilities, BMO Harris Bank Center
 Jena Keith; Box Office Director, BMO Harris Bank Center
 Julie McIntyre; Office/Purchasing Manager, BMO Harris Bank Center
 Kristen O'Halloran; Booking Manager, BMO Harris Bank Center

Chairman Thomas called the meeting to order at 12:03 PM.

MINUTES – The minutes from the December 9, 2016 meeting were reviewed and approved.

MOTION: *Motion to approve December 2016 minutes made by Tom Walsh, second by Howie Heaton. Motion passes unanimously.*

COMMITTEE REPORTS

- **Finance** **Mr. Sunil Puri, Chair**

Deferred to Treasurers' report.

- **Executive** **Mr. Craig Thomas, Chair**

- Craig reminds the Board of the scheduled retreat/planning session in March. He reports that he has received some input for agenda items and any others should be circulated to Craig.

- **Davis Park** **Mr. Tom Walsh, Chair**

Craig reports he and John had a meeting with Jim Ryan regarding conceptual ideas of what may be done at the park.

- **Coronado** **Mr. Craig Thomas, Chair**

Craig reports that roof repairs are moving along. Mike Walsh adds that they are waiting on core sampling and when that is returned to the architects, they will present their plans to the City. Craig also reports that Beth Howard (Friends of the Coronado) is happy with the progress that is being made and the attention being given to it by Mike Walsh and the City. Beth emailed regarding the Genie Lift. The wrong size lift was ordered. The new lift is here. There were fees associated with changing the lift out and Friends is asking for us to look in to those expenses. This year is the Coronado's 90th anniversary. Friends will be looking to celebrate that and have asked us to work with them on the celebration. In addition, Craig reports that Beth has been very complimentary about the routine maintenance and cleanliness of the facility. Mike Schirger adds that they have had some really good meetings with Friends of the Coronado and FOC Board Members regarding identifying goals and responsibilities. He looks forward to further defining and possibly formalizing that.

- **Governance**

No report at this time.

- **Program Advisory Group** **Mr. Michael Schirger, Chair**

Mike Schirger reports that the Self Promotion fund is very much new for all of us and there has been a real effort on Troy, Kristen and staff's part to get this right from the start. He passes the floor to Troy, but before he does, Craig re-introduces Lon Rosenberg to the Board and requests his input during Troy's report regarding SP fund. Troy reports that he and Kristen have been meeting with various theater groups and promoters in efforts of finding a partner for these self-promoted events. Through these conversations, it looks like we have found a partnership which would decrease our risk in a lot of areas and will assist with marketing elements. At this point we do not have a market that supports the level of artist that we would like to bring in. We have started this partnership with proposing a couple of artists. They have some interest in the same artists. We see a bright future with this partnership coming down the pipes. We are still looking at a risk, but as those risks come up, we will look to the board to approve our moves. Mike Schirger adds, this doesn't accomplish everything we want but it is a start and we can move forward with booking our shows. Craig adds that it is important how we define success with the SP fund. It may not necessarily be by how much money we have made but rather, have we tapped in to an audience that we would not have otherwise tapped in to and are we providing entertainment for our community that is not otherwise readily available to them? Hopefully we tap

in to an audience whose desires aren't being met and we will be able to tap in to that and grow that. Lon adds, the way to do this is to get the headliner and invite strong local bands to open for them so we can draw their followers also. Gretchen Gilmore asks for a formal platform for recording these SP funds.

- **Capital Improvement** **Mr. John Phelps, Chair**

John Phelps defers to Mike Walsh. Mike reports that we are working with minority businesses on the HVAC at the Coronado putting heat in areas that hasn't existed. We will obtain 100% of what we need for grant requirements with allocation to minority contractors in the next two phases of the project. Once Gretchen has the quotes, she will revise the forms she sends in to secure the full 12% of the grant and then they will release the rest of the grant funds.

TREASURER'S REPORT – Mr. Sunil Puri

Sunil defers to Gretchen Gilmore for report. Gretchen reports that both November and December are coming in under budget. November's low attendance for IceHogs games is the cause for Savor and the store to be under. December, although we did really well compared to last December, we still came in under budget slightly. IceHogs ticket average are still lower in December but we anticipate them to go up in January. Troy adds that this weekend will be good attendance with two games. Out of the 17 home games left in the season, we have a good opportunity to sell out eight of them. Gretchen reminds everyone of the parking agreement entered in to with the City, we lost parking revenue and took on an added expense for the IceHogs games. This time last year we were recording parking revenue, up until January 1, so when compared to last year, parking revenue is significantly lower. We did have the benefit of the entertainment tax we were able to keep for the Coronado, which has helped offset a big loss in parking revenue by about 46%. In January, we will be on a better comparable basis, since we stopped recording parking revenue on January 1 and took on the expense for the drop count. Savor concessions are slightly over prior year but are behind budget with the IceHogs. Catering has increased 31%. We have been doing really well with our sponsorships. We are ahead 18% and 10% over budget. Our expenses are slightly over last year because we had one extra IceHogs game, however, our expenses came in lower than budget. We did receive SP funds and have deposited that in December. We will have a new auditor next year. Troy and Gretchen have met with the auditors who are also aware of the SP funds and have some ideas of how to record it as well. We have 27% left to secure for grants. Sunil adds that with the economy, the Carrie Underwood concert did not meet our bottom line expectations. While sponsorships are coming through, in general we are being capped off with what disposable dollars are available, so we have to keep expanding the net and go out of the market as much as we can north and toward Chicago. After conversations with Lon, Craig provides that this is not necessarily a trend but rather the headwinds that we are facing here. Lon agrees that we will have to enhance our marketing efforts immediately and if we can turn this around then promoters will start coming back.

Motion: Motion to approve November and December 2016 financials made by John Phelps, second by Sunil Puri. Motion passes unanimously.

GENERAL MANAGERS REPORT **Mr. Troy Flynn**

IceHogs Update: Going into January, or current record is 14-21-3-3 so we are struggling a little bit. However, we do have some good promotions coming up. Tickets are a little down from last year. This past month was the World Series trophy, January 8. That was our single highest revenue day this year. The Cubs are built to win and we have built a relationship, so hopefully we will have it back next year. The Cubs were very happy with how we handled everything and we tripled what their expectations were. Everybody got together, we did what we know how to do and everyone was happy. This coming Saturday, Troy leaves for Allentown for AHL meetings until Monday. We have some good games coming up and some strong promotions. We are going to start seeing numbers we are a little more use to.

Marketing Update/Events Update: Kristen was out in New York two weeks ago for theater conference. She had some very good meetings and put some strategies together for the Coronado. With the Coronado's 90th Anniversary coming up, we are going to work with Friends to see what kind of celebrations we can partner on to showcase what the theater is. There is a national publication that a lot of industry professionals read that has a top 200 registry for theaters in the country and given our attendance and show load we can highlight, we hope to be in the top 100 but anticipate being on the list somewhere. Troy and Kristen's Travel out to Chicago went great. Broadway is doing well and JAM is really happy with us. They are talking about possibly adding events outside the Broadway series. Live Nation meeting was very interesting. They have over 19 stadium shows this year. Went to Wisconsin to meet with Frank's, they were very receptive and exchanged a couple artists that would fit into the self-promoted model. We had great shows with Elvis, Cirque and RSO. February has 20 events. Adjustments have been made to the BMO, Coronado and IceHogs websites that encompass all events going on, regardless the venue, in an effort for people to see other events going on that they may be interested in at our other locations. Savor regional will be in this weekend to review business applications with them.

Hiring Update: We are looking at adding a part time employee (and are actively reviewing applicants) just for social media. We know that this is an element and we are taking an active approach to strengthen that.

BMO: We have had some security discussions and are making sure we highlight the security options we have enhanced. We are going back and scheduling meetings with the City as well as Rockford Police Department.

Corporate Sponsorships: We are starting to roll out packages and renewals. The growth we have seen this year has been significant in premium areas.

COUNSEL'S REPORT – Attorney Tim Rollins

None at this time.

CHAIRMAN'S REPORT – Mr. Craig Thomas

Craig Thomas reports that Lon did mention there may be an opportunity for Homeland Security grants to purchase video cameras and lights. Marketing is one of the highest priorities. Meeting with other SMG marketing people is a wonderful opportunity to share new and best practices. We have to reevaluate everything we are doing and connecting with patrons.

OLD BUSINESS:

None at this time.

NEW BUSINESS:

None at this time.

Motion: Motion to adjourn made by Sunil Puri, second by Howie Heaton. Motion passes unanimously.

ADJOURNMENT – The Authority Board adjourned at 12:50 p.m.

Respectfully Submitted,

Michelle Evans, Authority Board Secretary