



## AUTHORITY BOARD MEETING

**Date/Time:** Wednesday, September 27, 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 Tom Walsh  
John Phelps Mike Dunn  
Marcus Hill Sr. Michael Schirger

**Board Members Absent:** Howie Heaton Rudy Valdez  
Sunil Puri

**Others Present:** Alderman, Frank Beach  
Alderman, Chad Tuneburg

**Guests:** Beth Howard, Friends of the Coronado

**Staff Present:** Troy Flynn; Executive Director, BMO Harris Bank Center  
Jollene Haney; Staff Accountant/RAVE Board Secretary/RAVE FOIA Officer, BMO Harris Bank Center  
Gretchen Gilmore; Director of Finance, BMO Harris Bank Center  
Mike Walsh; Director of Facilities, BMO Harris Bank Center  
Jena Keith; Director of Ticketing Services, BMO Harris Bank Center  
Kristen O’Halloran; Booking Manager, BMO Harris Bank Center  
Julie McIntyre; Office Manager, BMO Harris Bank Center

**Chairman Craig Thomas calls the meeting to order at 12:05 PM.**

**MINUTES** – The minutes from the August 23, 2017 meeting were reviewed and approved.

**MOTION:** *Motion to approve August 23, 2017 minutes made by Mike Dunn, second by Tom Walsh. Motion passes unanimously.*

## COMMITTEE REPORTS

- **Finance**

**Mr. Sunil Puri, Chair**

Sunil Puri defers to Treasurer's report.

- **Coronado**

**Mr. Craig Thomas, Chairman**

Craig Thomas reports he had a meeting with a representative of Friends of the Coronado and the Mayor and will be following up discussions on an amendment to our MOU. This weekend is a busy weekend for Coronado and Friends of the Coronado. Beth Howard reports the weekend seems to be well received and an unofficial invite system is showing around 1,000 people planning to attend Friday. Friends is using Savor for beverage sales. There will be entertainment throughout the spaces of the Coronado. They are almost done putting together a historical film of the Coronado from opening to today that consists of rolling still photos set to music and is about 25 minutes long. The film was put together by Beth Howard and LOLTOS, and WREX is producing it. Saturday at noon there will be family activities including organ concerts, silent movie demonstrations, face painting, and magicians. There will also be fundraising with raffles, silent auctions, and donation stations. Saturday night is Café and it sold out quickly. Café features local entertainers including Jodi Beach, Emily Hurd, Gina Meeks, and Erica Figurine. There will also be special guests including the original architect and most of the Board of the Smith Charitable Foundation. Friends of the Coronado will be announcing the new Century Club Initiative which will make use of part of the corner space for the year. Ongoing, there will be access to a private lounge prior to performances which will hopefully drive up ticket sales as well. Beth Howard invites RAVE to have a table to join the festivities and promote their events all weekend long.

- **Program Advisory Group**

**Mr. Michael Schirger, Chair**

Mike Schirger reports there has been a lot going on. There was a 2 hour phone conversation this week to discuss self-programming funds, holds, holds that have been lost, how do we approach them differently, and how do we approach managers directly vs promoters. Troy Flynn reports we have 4 holds right now for Americana performances. We had 3 holds that did not confirm. These would all be for early next year. There are 31 programs currently on sale not including IceHogs. There are additionally 26 events that have confirmed that are not yet on sale. We have a lot of programming happening right now. We are pushing hard to bring in these Americana performances. We also are talking with the City about a festival. At this point it is strictly talking. There has been some interest by the Mayor to put on another festival and having us involved in that. This is a much bigger conversation. Craig Thomas has been involved in this conversation as well. It is not "On The Waterfront," it is something brand new. Troy Flynn's team is trying to brainstorm how to structure something we would do outside. Craig Thomas asks if there is something specific we need to be aware of for why the Americana holds were lost. Troy Flynn states some has to do with promoters picking up the talent and routing for them, while some has to do with not bringing in "fly dates" in order to manage the risk. We keep evaluating things, especially our relationships with managers and promoters. It's all a balancing act and the industry knows Americana is an initiative of ours. The concern is that some of the dates are expensive dates, such as a larger band playing at the BMO with higher ticket prices than we are used to seeing. Troy Flynn feels that we have established a group in marketing that allows us to touch people with interest in the Americana genre. He also feels we have a new level of diversity throughout our buildings. Craig Thomas asks if Lon Rosenberg or SMG has been able to help with routing these shows. Troy Flynn states we have locally been the driver based on the network we have established. SMG has been assisting with a couple of different artists. This is an emerging scene and we are trying to get artists before they get too big. There are two huge

artists that Kristen O'Halloran has been reaching out to that are through the SMG network. Troy Flynn states on top of the current events on sale and the new events that have been confirmed, we have 45 active holds between the two facilities. Our ticket sales are doing very well. We just announced Jeff Dunham and the promotor reached out and told us to move the stage back because the sales were trending high. Mike Dunn asks Troy Flynn to describe the risk he is expecting for these Americana Events. The majority of ticket prices at the BMO would be \$80 with a guarantee over \$200K, however these will be set up as co-pro so that we aren't taking as much of a risk. The last Carrie Underwood guarantee was around \$200K and her tickets were mostly around \$60. Mike Dunn inquires about the Self Promotion Fund that was supposed to be established. Troy Flynn reports that it is established at \$165K from the funds left over from taking on the Coronado Performing Arts Center's debt to the City. Craig Thomas states we took on their \$600K line of credit obligation to the City. Once these obligations were taken care of, there was \$160K of unrestricted funds that the City agreed could be allocated back to us. Mike Dunn inquires about private donors to help fund that. John Phelps states we have a verbal commitment of \$100K from a private donor.

- **TREASURER'S REPORT**

**Mr. Sunil Puri**

Gretchen Gilmore reports we are on track to meet budget currently and we should be ok through the first quarter. October starts back up with the IceHogs and programming at the BMO and Coronado so we will see how October pans out. We are going to start forecasting in October as well to get a better idea of how we are going to do for the year. When you look at August comparable to last year, it doesn't look as good because we had KISS last year where as we did not have any events this year. We anticipated that with the budget. The auditors finished their fieldwork about a week ago. Gretchen Gilmore is working on the audited financials and they should be done by the end of the week. We are still on schedule to present in November. We have replaced our HR position finally as well.

***MOTION: Motion to approve August 2017 financials made by John Phelps, second by Mike Schirger. Motion passes unanimously.***

**GENERAL MANAGERS REPORT**

**Mr. Troy Flynn**

IceHogs Update:

Troy Flynn reports marketing will start next Wednesday as we go into the season. Single game tickets represents about 35% of our revenue on the whole. Where we fell short last year was on the Friday and Sunday single game tickets. We are trying to turn that around with programs such as Kids Eat Free on Sundays and a lot of promotions and giveaways in an attempt to engage a driver into the event. Groups currently are a little behind. We have 13 games in October and November which are typically our slowest months. There are a few more things that are still to be implemented. Troy Flynn is speaking with Lon Rosenberg about adding to the staff to find someone focused more on single game tickets and following up on marketing initiatives. As far as our sponsorships, we are in a good spot. Corporate Sales show last year was our most successful year to date and we are currently 95% renewed. Our first 6 games all have promotional items, incentive buys, and various packaging prices. Preseason game is September 28 which is a free game as typical and doesn't usually have a lot of attendance. Opening night is October 14. Sunday, October 15 is the following night which is First Responders Night with a Touch-A-Truck before the game. ABM has been notified of the event to prevent miscommunication of them thinking there is an emergency.

Marketing Update/Events Update:

Troy Flynn reports RSO Star Wars was a recent event that was very interesting. They have paired the Symphony with scores of movies such as Star Wars and Wizard of Oz. They are having block parties before-hand with themed characters to engage families. We had a Labor Day Picnic and we have the preseason game and the Coronado's 90<sup>th</sup> Celebration to finish the month off. Troy Flynn had a meeting with Todd Cagnoni to keep the communication open. Troy Flynn and Mike Schirger have been working hard on presenting this festival idea. It appears there are good ideas out there to engage a sense of Civic Pride. We have not committed anything and have not discussed responsibility with the event. There is just a strong outline that engages and depends on the community to work. This will be a one day event only. There will be some corporate meetings for bookings and talent activities that Kristen O'Halloran is attending. The Broadway series seems to be a good line up for this year as well. We are doing some hiring in operations to relieve Mike Walsh a little. SMG Corporate will be coming out with someone that will double check and evaluate how our operations is going, as requested for the CIP project we are working on. We had 3 heat exchangers in the Coronado go out, putting the ice in has been a big deal, the roof on the Coronado will be started in October, and there will be work done to the water main on Park Avenue that will affect two of our events. October 11 will be an emergency response drill that encapsulates a bomb at the BMO followed by a vehicle strike. There will be live representatives here as well as actors that will be transported to the local hospitals and triaged to test everyone's systems. We are planning on looking more into the enhanced sound system at the Coronado. The RSO is the primary user of this and it is an expensive project. Troy Flynn will be discussing with the City how to proceed. Savor is introducing Mac-N-Cheese, Chili and Taco Tuesdays this season. Mike Dunn requests an update on the ice floor. Troy Flynn states there are 3 areas along the dasher lines that needed to be repaired this season where the pipes had floated during the construction and have become exposed. There is typically a basket that pipes are laid in to prevent floating and it appears that was not done. They have not been able to locate the architectural drawings to see what was supposed to be put in. The repair is around \$17-\$18K. If the floor gets punctured, we would have to come up with a temporary floor and possibly move games around. Mike Dunn is curious if this was an issue that was approved as a money saving option or if it is a warranty issue. Troy Flynn states he will have to follow back up on this once he locates the drawings. Mike Dunn also requests clarification of the marketing rules for the IceHogs to advertise east of Route 47. Craig Thomas states that it is in the AHL geographic restrictions. Troy Flynn adds that he wasn't satisfied with the explanation so he will go back and revisit this discussion with the AHL.

**COUNSEL'S REPORT**

**Attorney Tim Rollins**

No report at this time.

**CHAIRMAN'S REPORT**

**Mr. Craig Thomas**

Craig Thomas reports there have been discussions on a festival. The conversation that Craig Thomas has had with the Mayor and Todd Cagnoni is our position as an organization. If there is a downtown festival put on, it should flow through RAVE as an organization. Craig Thomas was assured that the "Off The Waterfront" that was discussed last month was not funded by the City. Craig Thomas is wanting to do an

annual update with the Aldermen. Todd Cagnoni is determining the best time to make that happen. Frank Beach informs Craig Thomas, whenever there is a 5<sup>th</sup> Monday in a month, that day is open for miscellaneous discussions. Craig Thomas has had discussions with Todd Cagnoni in regards to raising the Entertainment Tax and what kind of impact that would have on our industry. There was a lot of push back from the promoters and entertainers on this discussion. There will be more discussions on this. Craig Thomas reports that the Blackhawks have agreed to look into having the Red & White Preseason Scrimmage here next year. A proposal has been put together. This is just in the sharing of information stage.

**OLD BUSINESS:**

None at this time.

**NEW BUSINESS:**

None at this time.

***MOTION: Mike Dunn made a motion to adjourn; seconded by Mike Schirger. The motion passes unanimously.***

**ADJOURNMENT** – The Authority Board adjourns at 12:57 p.m.

Respectfully Submitted,

Jollene Haney