

**CIVIC CENTER BOARD OF MANAGERS
THURSDAY, August 10, 2023
CENTURY CENTER – BENDIX ARENA
8:30 A.M.**

MEMBERS PRESENT

Linda Doshi
Greg Downes
Heather Goralski
Randy Kelly

Canneth Lee
Michael Neises
Aaron Perri
Jill Scicchitano

MEMBERS ABSENT

A. J. Patel

The meeting was called to order at 8:30 a.m. by President Perri.

CONSENT AGENDA

President Perri entertained a motion to approve the consent agenda, including the Minutes of the 5/22/23 meeting and approval of the 2023 Q2 financial reports. Greg Downes motioned to approve; Michael Neises seconded; and motion carried.

PRESIDENT'S REPORT

Perri announced that A. J. Patel was out after his wedding which took place at Century Center last weekend and was one of the top hotel room generating events. Also, the International Jugglers Association held their annual festival at Century Center and the Morris the week of 7/17-22 and took almost every downtown hotel room. Outdoor events are taking place -- Meet Me at the Island at Century Center and Fridays by the Fountain in front of the Morris. John Mellencamp had two sold-out shows at the Morris 6/23-24 and the Morris has a busy Fall schedule.

Perri stated that at the last meeting the board thanked City Attorney Aladean DeRose for her many years of service to Century Center, the Morris and the Civic Center Board of Managers. He welcomed Jenna Throw, the City Attorney who works with City Parks and is now assigned to the venues.

Andrew Schreiber and Michelle Shaw have been busy with City budget season. Perri requested a motion to add "Approval of 2024 Budget" to the Agenda under New Business. Greg Down motioned; Canneth Lee seconded; and motion carried.

As of 7/1/23 the City of South Bend is now collecting the new Professional Sports and Convention Development Area Tax. The bulk of that funding is designed to go towards the renovation and expansion of Four Winds Field baseball stadium. There is also some funding for Century Center.

VENUES REPORT

Morris Performing Arts Center

Andrew Schreiber reported that the Morris has self-promoted shows scheduled: Ben Harper & The Innocent Criminals 10/13; Rocky Horror Picture Show with Barry Bostwick 10/27; Hip Hop Nutcracker 11/27 as part of the Equity and Inclusion program; and comedian Michael Palascak 12/29 in the Palais Royale. Other shows of note include comedian Jerry Seinfeld 10/21; comedian Shane Gillis 9/22; Did de los Muertos free concert through the Equity fund 10/29; Straight No Chaser 11/24. The 2023-2024 Broadway season features Disney's Aladdin 3/19-24.

The Morris 2024 budget includes revenue of \$1,535,803 less expenses of \$1,435,803 with a net profit of \$100,000. This compares to the 2023 budget with revenue of \$1,939,546 less expenses of \$1,838,777 with a net profit of \$100,769. Actual 2023 YTD revenue is \$948,227 less expenses of \$905,926 with a net profit of \$42,301.

Capital projects in 2024 include a projector and large screen for community movie events (\$118,000); Palais floor (\$88,000); Palais ceiling (\$100,000); Box Office renovation (\$40,000); awning replacement (\$25,000); and external digital screens (\$100,000).

Schreiber gave an update on the Raclin Murphy Encore Center. The project will go to bid the end of 2023 and break ground in 2024.

Century Center

Schreiber reported that Century Center 2024 budget includes revenue of \$4,900,740 less expenses of \$4,782,128 with a net profit of \$118,612. This compares to the 2023 budget with revenue of \$4,630,842 less expenses of \$4,660,608 with a net loss of -\$29,766. Actual 2023 YTD to 5/31/23 revenue is \$1,503,475 less expenses of \$1,900,696 with a net loss of -\$397,220. This does not include the recent Patel wedding weekend which will add \$235,000 to revenue. The 2024 budgeted revenue is higher than the 2023 budgeted revenue due to an increase in prices. The estimated number of hotel rooms in 2023 is 14,991 up from 14,865 in 2022.

August events include: Viaggio Pontoon Boats Dealer Show (250 guests/400 room nights); Star Martial Arts (1,250 guests/ 200 room nights); Barletta Dealer Show (300 guests/900 room nights); September events : Indiana Latino Institute Education Summit (1,600 guests/ 20 room nights); Jurassic Quest Dinosaurs Show (4,000 guests/25 room nights); Notre Dame Tax & Estate Planning Institute (600 guests; 725 room nights); Ramencon 2023 (1,800 guests/750 room nights); Star Martial Arts (\$1,250 guests/200 room nights); October events: Indiana Criminal Justice Association (250 guests/350 room nights); Christina Educators Association (1,300 guests/650 room nights); Grand Design RV University (350 guests/900 room nights); November events: Star Spirit/MCDA Cheer & Dance Competition (3,000 guests/400 room nights); 2nd Weekend Star Spirit/MCDA Cheer & Dance (3,000 guests/400 room nights); American Cornhole Tournament (600 guests/180 room nights); and in December: AmeriCheer Indiana Championship (900 guests/300 room nights).

January 2024 events include: Valley RV &P Camping Show (4,000 guests/40 room nights) and Michiana Boat & Sports Show (3,000 guests/10 room nights); February event: 2024 Hartland Travel Showcase (400 guests/490 room nights); and March events: Michiana Home Show (TBD) and the South Bend Auto Show (8,000 guests/10 room nights)

Capital projects finishing in 2023 include the skyway/Art Museum restroom upgrade (\$167,046); catering and kitchen equipment (\$72,442); event tables and chairs (\$100,000); reconstruct chiller systems (\$112,153); repair Island Park pavers (\$15,000); replace Century Center bridge decking \$30,000); water softener and filtration system replacement (\$100,000); parking lot seal and stripe (\$49,124); entrance gate automation (\$15,000); and Great Hall lighting feature (\$40,000).

Capital projects in 2024 include: cameras on the City network (\$100,000); Discovery Ballroom carpet (\$100,000); refinish Convention Hall floor (\$100,000); back entrance gate (\$150,000); cleaning equipment (\$25,000); A/V equipment replacements (\$50,000); event furnishings (\$50,000); Great Hall lighting (\$31,000); ice machines (\$15,000); and Bendix peripherals (\$5,000).

The new security contractor Invictus started 7/1/23 to service Century Center, the Morris and Palais Royale and has been a big win with better guest services for all locations. The previous security company CSC was not locally owned and often there was not an on-site manager. It is a local minority-owned business which is owned by two active duty South Bend Police officers. They previously were providing security at the Morris and the two City-owned parking garages. The CSC security contract was approved by the board at the 5/22/23 meeting.

Discussion followed on the new entry security system for events at the Morris. Schreiber stated that the system is finely tuned and entrance is much faster for patrons. It makes a better experience for patrons especially in cold weather when people want to get inside.

The question was asked about how transparent are fees for Morris online tickets. Schreiber explained that the price of the ticket and fees are listed separately on the online checkout before paying.

NEW BUSINESS

Morris Performing Arts Center 2024 Budget

Aaron Perri explained that the 2024 budget is first approved by the board and then goes to the City of South Bend Common Council for approval in October. If the Common Council has adjustments, the budget will come back to the board. There are several layers of staff who work on the budget, The finance teams at the Morris and Century Center work to create the budget which is reviewed by the City Controller's staff. Perri highlighted the 2024 combined Morris and Palais Royale proposed budget which includes revenue of \$1,535,803 (down \$403,743 from the 2023 budget) less expenses of \$1,435,803 (down \$403,974 from the 2023 budget) with a net profit of \$100,000 (down \$769 from the 2023 budget.) Andrew Schreiber explained that the 2024 projected revenue is down because the theatre will require dark days with no events during Raclin Murphy Encore Center construction. Also, the Palais Royale will have no events during work on the floor and ceiling. Perri requested a motion to approve the consolidated Morris Performing Arts Center and Palais Royale 2024 proposed budget. Greg Downes moved to approve; Canneth Lee seconded; and motion passed.

Century Center 2024 Budget

The proposed Century Center 2024 budget includes revenue of \$4,900,740 (up \$269,898 from the 2023 budget) less expenses of \$4,782,128 (up \$121,520 from the 2023 budget) with a net profit of \$118,612 (\$88,846 up from the 2023 budget loss) The budget does not include any new positions. Discussions have taken place with ASM Global to have a General Manager position at Century Center again in the future. Perri asked if there was a way to control expenses to allow for a General Manager to be hired. Schreiber responded that he and Craig Liston with ASM Global will discuss the General Manager position. Craig Liston explained that ASM Global staff will receive a 3% pay increase at the end of the year which is similar to Notre Dame and facilities in Chicago. Discussion followed on hotel room nights, Four Winds Hotel, AirBnB. Julie Nowak and Olivia Rozzi are the sales contacts for Notre Dame to send event leads. Perri requested a motion to approve the Century Center 2024 proposed budget. Greg Downes motioned to approve; Canneth Lee seconded; and motion passed. Perri added that if the Common Council has variances on the budgets the board will have a meeting.

ADJOURNMENT

President Perri announced that the next meeting is Thursday, 11/2/23. With no further business, Perri adjourned the meeting at 9:10 a.m.

AP: mes