

**CENTURY CENTER BOARD OF MANAGERS**  
**WEDNESDAY, FEBRUARY 15, 2017**  
**8:00 A.M. – SUITE #15**

**MEMBERS PRESENT**

Dennis Andres, Jr.  
Allison Fox  
Randy Kelly  
Aaron Perri  
Michael Neises  
Linda Doshi  
Cathy Roemer  
David Varner

**MEMBERS ABSENT**

Greg Downes

**STAFF**

Leanna Belew  
Scott Herczeg  
Brandon Gerlach  
Jesse Vogel  
Jacob Hamman

**OTHERS**

Aladean DeRose, City  
Craig Liston, SMG  
Steve Ellison, TXBD  
Bill Lamie, AAG

The meeting was called to order by Aaron Perri at 8:00 a.m.

**CONSENT AGENDA**

Perri entertained a motion to approve A) Minutes of November 16, 2016 B) Claims Oct-Dec. 2016; Financial Report – 4th Quarter 2016 Roemer wanted explanation of expenditures as it was not in the packet. She wanted clarification of expenditure limits. These need to be reported. Andres moved for approval; seconded by Kelly, the motion carried.

**ELECTION OF OFFICERS**

Linda Doshi, Chair of the Nominating Committee, Presented the proposed slate of 2016 officers: President –Aaron Perri; Vice President-Michael Neises; Secretary-Randy Kelly; Treasurer- Dr. David Varner. With no nominations from the floor, Doshi motioned for approval the slate as presented; seconded by Fox, the motion carried. Perri acknowledged Cathy Roemer for her long tenure as Treasure and thanked Greg Downes for his leadership and for helping usher in a new era of success at Century Center.

**GENERAL MANAGER'S REPORT**

Leanna Belew spoke of the 2016 year as being a good year between expense and revenue. AGI at 23% better than budgeted and 12% better than 2015. Indirect expenses came in a little higher at 3% over budget , which makes sense if we were higher in revenue but 1% better than 2015. This brought out the NOL to 888 for the end of the year which was 24 % better than the budget and 21% better than 2015. Spoke of the events that help with budget in 2016 and the new events that will help with the budget in 2017. The net promoter scores were the same as 2015 at 74 48% over benchmark but with the construction co the Century Center and Downtown we still kept the customers happy and the scores were still very good. The overall average in all areas was still 93. Leanna spoke of all the new and returning business and what it will do for the Hotel business. Leanna discussed the events that were new to CC and how the timing of the events will affect the quarter's numbers when compared to last year. Spoke of the conference that Jesse and Leanna went to in Huntsville Alabama which was for Industry Conference for Small Market Meetings. We will host this event in September so this was a good conference to go to. It will bring 125 meeting planners to our town that only book in small markets - second and third tier cities. Also spoke of the other conferences that were attended by the sales teams. Belew spoke of the efforts of the sales team to change the mix of business and concentrate on multi day events in order to increase room nights. Belew used July as an example of how profitable corporate events are. Belew then discussed the capital projects for the 2016 and 2017. Painting of tubular skylight frames and Recital Hall carpet and new stage have been moved to 2017 capital improvements due to more funds needed to complete current projects. Numbers went up for meetings and banquets but the special events went down a little because of no longer booking

the HOF and because of the church service no longer at CC. Hotels were better than last year by 6% and down 2% largely due to GLBRC that no longer coming to South Bend. Number of events with 20 on peak for 4<sup>th</sup> quarter was 10 compared to 12 in 2015 and YTD at 59 compared to 51 in 2015. Spoke of the upgrades in the building and the capital projects. Scott Herczeg stated that we plan to attack the 30 year plan with the capital money.

November is our 40<sup>th</sup> year and watch for our Birthday Celebration.

Varner inquired about the customer service score for food and beverage and why it was lower than the other scores. Belew responded that the food and beverage department has many more facets and can sometimes be harder to achieve scores in the 90's. She also mentioned that a score in the high 80's is still a good score but there is always room for improvement. Perri asked how the events of 2016 will affect comparisons for 2017. Belew responded that the first quarter of 2017 will certainly look worse than last year. However, with the business we have booked from the closing of Radisson in Merrillville and some other opportunities Belew feels that the year will end strong. Perri inquired about a rolling forecast which Belew responded that will be provided with the Q1 report for 2017. Perri asked if there was anything to add from Scott Herczeg. Herczeg mentioned the Goose Buster that was installed on the Island and is hopeful to help decrease the goose population.

### **PRESIDENT'S REPORT**

Perri acknowledged he would like to start working with the Century Center Financial Team to have a better working method of reconciling the final reports with numbers to the City that SMG supplies so our numbers go along with the City numbers. Perri noted that CC accrual base accounting reports and the City cash basis accounting reports do not always tie out. There is no insinuation that there are any improprieties but we would like for these two accounts to reconcile.

Varner mentioned having one set of numbers makes sense and would be helpful. Perri introduced the org chart for the new City department Venues of Parks and Arts. The org chart is 75% complete. Perri mentioned that some programs have already been combined such as HVAC, trash, landscaping. Perri also mentioned the interest in having a shared venue operations between the Morris Performing Arts Center, Palais and Century Center and how it will benefit both venues as well as the community. We would like to move into that shared model by January 1, 2018. Perri mentioned that Craig Liston with SMG has been helpful in creating an org chart that combines the staff and that SMG has expressed interest in managing all three venues. Varner states that this is all the more reason for reconciled financials. Kelly says that this has been talked about for many years and is happy to see it being discussed again. Doshi says that this will be a win win for everyone. Perri says there is a lot of work to be done in the process and expects to have something to present to the board by the next board meeting in May.

Belew introduced Jake Hamman as the new Director of Sales and Marketing.

Perri recognized Craig Liston as part of meeting and Liston stated that he agrees that consolidated operations will be beneficial for both venues and the guest experience.

Steve Ellison with HM Tax Board says that it is an interesting year with 4.9 million in actual revenue in 2016 this is a record. The HM Tax budget was also approved of 4.8 million which is also a record, The budget process was interesting as the county council requested funds for County Tourism Development. The board was able to increase capital for CC at \$975,000 which has never been done as well an increase for the CVB. With the addition of 600 hotel rooms coming to the county there is a lot of work to do.

Meeting Schedule – 2017: the list of dates was presented.

**OLD BUSINESS-None**

**NEW BUSINESS-None**

**ADJOURNMENT**-With no further business, Perri called to adjourn, Andres made a motion and Doshi seconded.

AP:nc