

GREEN BAY/BROWN COUNTY PROFESSIONAL FOOTBALL STADIUM DISTRICT

Pursuant to Section 19.84, Wis. Stats., a meeting of the Green Bay/Brown County Professional Football Stadium District Board was held on **Monday, December 13, 2021** at 1:30 p.m.

PRESENT: Chuck Lamine, Leah Weycker, Keith Lucius, Mark Graul, and Sen. Cowles (via phone)

EXCUSED: Kristen Johnson, Bill Galvin

ALSO PRESENT: Pat Webb, Greg Kuehl, Ken Kaszubowski, Drew Falkenburg, Brian Dworak, Bill Vande Castle, Joel Everts, Diana Ellenbecher, Joanne Bungert, and media.

1. **CALL MEETING TO ORDER**

The meeting was called to order by Chair Lamine at approximately 1:30 p.m.

2. **ROLL CALL**

Roll call was taken. All Board members were present except Ms. Johnson and Mr. Galvin who were excused, and Sen. Cowles joined via phone after the tour of the Resch Expo.

3. **PLEDGE OF ALLEGIANCE**

The Board recited the Pledge of Allegiance.

4. **APPROVE/MODIFY AGENDA**

A MOTION WAS MADE BY KEITH LUCIUS AND SECONDED BY LEAH WEYCKER TO APPROVE THE AGENDA. A vote was taken. MOTION CARRIED UNANIMOUSLY.

5. **REQUEST FOR APPROVAL OF THE MINUTES – SEPTEMBER 27, 2021**

A MOTION WAS MADE BY LEAH WEYCKER AND SECONDED BY MARK GRAUL TO APPROVE THE MINUTES. A vote was taken. MOTION CARRIED UNANIMOUSLY.

6. **TOUR OF THE RESCH EXPO**

The tour was scheduled to begin at 2:00 p.m. so the meeting proceeded until the tour guides arrived.

7. **COMMUNICATIONS**

A. **November 24, 2021 Green Bay Press Gazette Article RE: Ashwaubenon Village Board Meeting**

Mr. Webb reported that he and Mr. Lucius attended the Ashwaubenon Village Board meeting to discuss the draft legislation regarding the Stadium District. He said Mr. Lucius did a wonderful job representing the Stadium District and he feels the article speaks for itself.

B. **FAQs – Purpose of Stadium District**

Mr. Webb explained the FAQs were drafted upon the request of Chair Lamine. They explain what the District is all about and its operations. He asked if there were any questions. There were none.

C. LATE COMMUNICATIONS (IF ANY)

Mr. Webb presented a request for information from Rep. Steffens. The staff responded with some of the requested information and are gathering other items requested.

Chair Lamine thanked the staff for their efforts on the FAQ's.

Mr. Graul asked if they could discuss the proposed legislation.

Mr. Webb explained it wasn't on the agenda – and he didn't want to cut off the communication but offered to put it on the March agenda. Mr. Graul thought it would be a good idea. Mr. Lamine thought there would be some flavor of this while discussing Item 10 on the agenda. Mr. Webb said it was hard to separate the two. He asked Mr. Vande Castle for his opinion on the matter.

Mr. Vande Castle confirmed this shouldn't be discussed unless it was specifically on the agenda.

Mr. Vande Castle added that if the proposed legislation is put on the next meeting agenda there may be more information at that time due to the fact that that Rep. Steffens will be presenting at the City Council and County Board before the next District's Board meeting.

Mr. Graul asked if it would be appropriate to invite Rep. Steffens to the March meeting. Mr. Vande Castle said that was up to the Board. Mr. Graul feels it would be beneficial to have him attend to hear what he's thinking. Mr. Lucius agreed it would be a good idea to have a face-to-face discussion with Rep. Steffens. Mr. Webb said he would extend that invitation.

A MOTION WAS MADE BY LEAH WEYCKER AND SECONDED BY KEITH LUCIUS TO RECEIVE THE COMMUNICATIONS AND PLACE ON FILE. A vote was taken. MOTION CARRIED UNANIMOUSLY.

8. SPECIAL EVENTS & ECONOMIC DEVELOPMENT FUND UPDATE:

A. Detail of Special Events and Economic Development Fund

Mr. Webb presented the fund statement and stated nothing really changed. The balance is \$748,000 and they are projected to use about \$64,000 of that for administrative services and \$40,000 in grants in 2022. The District is only committed to \$21,000 in grants right now so he predicts they will use about \$100,000 in 2022 based on his projections.

B. WIAA Volleyball Tournament Post Event Information

Mr. Everts reported it was good to see everyone back at the Resch Center. It was the second year hosting the boys and girls volleyball tournaments on the same weekend. He provided some history on the winners and the ticket sales. He had pictures of the event including one showing Ms. Weycker presenting a check to the Division 2 school that won Rush to the Resch. He reported that Luxemburg-Casco decided to stay at the hotel to get the tournament experience

even though they weren't reimbursed by WIAA. Covid restrictions in place didn't deter attendance and there wasn't a home game that weekend, so it all worked out well with hotel rooms. The attendance was almost the same as 2019 and the estimated economic impact was \$865,000. Chair Lamine said the \$5,000 grant was well worth the money to get people to attend. He asked what is done to sell tickets. Mr. Everts said that because most of the schools are not local, they get their tickets from the schools to compete in the Rush to the Resch contest. They try to deliver the news to people through social media, etc. Overall, 6,900 tickets were sold through the Rush to the Resch promotion.

A MOTION WAS MADE BY KEITH LUCIUS AND SECONDED BY LEAH WEYCKER TO APPROVE THE UPDATE. A vote was taken. MOTION CARRIED.

9. SIGMA PRESENTATION ANNUAL MAINTENANCE AUDIT

Mr. Falkenburg from Sigma presented the annual maintenance audit to the Board. A copy of the report was distributed to the Board. He has been involved with the audit for 6 years.

The objective of the audit is to fulfill the annual assessment components of the reporting and monitoring activities jointly developed by the District and the Packers. The process reviews the current maintenance program and procedures established by the Packers to maintain the facility. They inspect the facility and site and review findings from the prior year's audit.

Mr. Falkenburg reviewed the 2021 findings. All aspects of the building and site were found to be satisfactory with 117 items noted during the walk through. There was evidence of previous leaks noted on the atrium roof, roof insulation and deck damage, block damage on some walls, steel corrosion, concrete cracking, drywall damage, and laminate damage. These were all issues that will be addressed. He noted that the Packers continue to provide a well-organized maintenance program and preventative maintenance and demand maintenance activities are being accomplished in a timely manner. He also mentioned that the CMMS system has been updated with new maintenance tasks and records of new construction.

There were no questions about the report. Chair Lamine commented about the amount of detail and the partnership between Sigma and the Packers has been very helpful in maintaining the facility.

Mr. Webb asked for a motion to approve the report.

Mr. Graul asked how the Board could approve the report without seeing it in its entirety. Mr. Kuehl said they would be approving the summary but offered to send Mr. Graul the entire report.

Mr. Webb then asked for a motion to approve the summary of the audit report.

A MOTION WAS MADE BY MARK GRAUL TO APPROVE THE SUMMARY AND SECONDED BY KEITH LUCIUS TO APPROVE THE AUDIT SUMMARY. A vote was taken. MOTION CARRIED.

10. FUTURE OF THE STADIUM DISTRICT REPORT

Mr. Webb wanted to take up this agenda item after the tour.

11. SEPTEMBER AND OCTOBER 2021 FINANCIAL REPORTS

Mr. Webb mentioned on of the line items that is different than the budget is that they took in about \$700,000 worth of user fee compared to about \$350,000 budgeted. He continues to monitor the use of the Economic Development Fund and he doesn't think they will exceed the budget. Everything else is on schedule.

Mr. Webb reported that brick sales and license plate sales will be more than anticipated. They are in a separate fund so they don't affect the bottom line of the Economic Development Fund. Chair Lamine mentioned that the Team's success probably affects the increase in the brick sales. Mr. Webb agreed.

There were no other questions on the financials.

A MOTION WAS MADE BY MARK GRAUL AND SECONDED BY LEAH WEYCKER TO APPROVE THE FINANCIAL REPORTS. Vote taken. MOTION CARRIED UNANIMOUSLY.

12. DIRECTOR'S REPORT

Mr. Webb presented the Special Revenue Fund statement that shows \$52 million in the account not including accrued interest or any mark to market adjustments. Of that, \$50 million is in the 8257 Fund, \$999,000 is in the Operations & Maintenance Fund which is now getting some ticket revenue on a game-by-game basis. There's also \$798,000 in the Special Events & Economic Development Fund which was discussed earlier. There were no questions on the fund statements.

Mr. Webb presented the District User Fee Fund. The District paid out \$6 million to the Team earlier this year which brought the total down to a little over \$2 million but also took in \$706,000 of ticket user fee revenue which is the difference between what the old user fee is on green and gold tickets and the new ones. So quite a few tickets were turned in again this year. He raised this amount to \$400,000 in the budget but it's just a number because all the funds can only be used for capital improvements. It doesn't affect how much the District transfers from the Economic Development Fund. Chair Lamine asked about the targeted amount. Mr. Webb said they've been trying to keep at least \$2 million in the account in case something comes up that needs to be fixed and we'd have to help the Packers with that cost.

Mr. Kuehl reported on the Annual Insurance Review. He mentioned there is an annual meeting between representatives of the District, the City, the Team and insurance representatives to review coverages in place and to see everybody is satisfied with the coverage and general conformance with the lease requirements. Everything appeared to be in order. A couple items are being looked at. One being the split of terrorism coverage. The District stopped collecting insurance information from PMI which was done historically when the District was holding events at the Stadium. Mr. Kuehl also reported that the District previously had Cyber liability coverage through WMMIC but has declined to continue this as it involved an extensive questionnaire on information technology. Since the Team provides information services to the District and our exposure is minimal, it was decided to drop this coverage and the Team has their own coverage.

Mr. Kuehl added the valuation of the stadium is being looked at as well. The insurance deductible is set in the lease for the Packers at no more than \$100,000. The Team might be interested in adjusting that and would look at the premium to see which is better long term from a financial perspective. The District would be willing to look at that but it might require some changes in the lease. Another item was things they would look at for property coverage using the same as what they do now – separate quotes – and different levels of deductibles.

Mr. Webb asked if there were any questions on the insurance review. He added that it is required by the lease that the District do this on an annual basis.

Mr. Webb reported on the brick and tile sales. Through October there were \$53,000 in sales with two months to go. Last year's December numbers were \$16,000 so there will be close to \$70,000 in sales this year. He budgeted that amount for next year too.

Mr. Webb reported on the quarterly meeting dates for 2022.

There were no questions on the Director's Report.

A MOTION WAS MADE BY KEITH LUCIUS AND SECONDED BY MARK GRAUL TO APPROVE THE DIRECTOR'S REPORT. A vote was taken. MOTION CARRIED.

The Board toured the Resch Expo and returned to the meeting room at approximately 2:40 p.m.

Chair Lamine mentioned that the District provided a grant in the amount of \$1 million for the Resch Expo study. He feels it is a catalyst to development in the area and with it being close to Lambeau Field it will play an important part in possibly hosting the NFL draft in the future. He thanked the tour guides and feels it's a great facility.

10. FUTURE OF THE STADIUM DISTRICT REPORT

Sen. Cowles joined the meeting via phone.

Chair Lamine asked Mr. Webb how he wanted to approach this discussion.

Mr. Webb stated this report was developed with input from a lot of different people. He said it was put on the agenda so people could get a flavor of what happened in 2013/14 and there were additional meetings after this report was issued. Basically, the consensus was that most people thought the District was functioning as was expected at that time. He was willing to answer any questions the Board has.

Chair Lamine said that he and Sen. Cowles were the only ones on the Board at the time the report was issued. He knows a lot of time was put into it by the staff and it looks at the complicated circumstances of the organization and how it works. It provided a great resource and oversight.

Sen. Cowles wanted to comment on the potential dissolution of the Stadium District. Mr. Webb said that Mr. Vande Castle suggested the subject be approached at the March meeting. They haven't discussed the draft legislation and Mr. Webb knows there may be some documents coming out by the time of the next meeting. It was suggested they invite Rep. Steffens to the March meeting. Sen. Cowles reported he received a report from the Legislative Fiscal Bureau and would share it with the District. Sen. Cowles also wants a legislative council memo that would talk about the lease dynamics as it relates to the legislation.

Sen. Cowles stated that the author of the proposed legislation made the charge that this is not an efficient organization. He wants to start debunking that idea and he feels this District is an efficient operation and there's no money being squandered in any way he is aware of. Mr. Webb said they should speak and prepare something to present to the Board. Sen. Cowles agreed.

Mr. Lucius suggested that a copy of this report be given to Rep. Steffen so he can understand why some of these decisions were made at that time and that they feel the same today.

Mr. Webb said that obviously this report started even before they ended the sales tax and filled all the reserve funds that were put aside for maintenance and District administrative expenses. A lot of this is about things that have been accomplished. There were different models for the organization, including legislative changes that would be needed if they went to a City model. He reported they talked to different groups and the basic information they got from Brown County, Ashwaubenon, Howard, and HALO that indicated they felt the District should stick around as is to protect the interests of all Brown County taxpayers and not just have the interest of the City taxpayers involved. He feels that the future of the District had to be negotiated as part of the lease which is a three-party lease that goes until 2043. They didn't see how one party of that lease could get out of it without the permission of the other parties. That's sort of how the whole discussion was ended with the Board. When speaking of possible dissolution, if the Packers or City weren't interested in dissolution the District would remain. During this time, the Packers came out with a strongly worded statement, along with the Village of Ashwaubenon and Brown County, saying they wanted the District to remain. That ended the discussions of the dissolution of the District.

Mr. Webb asked if the Board had any questions about his summary of the report.

Mr. Lucius felt it was a good report. Chair Lamine agreed and said it took a fair look at dissolution.

One thing that stuck out was the three conditions of the dissolution was the retirement of the debt, certification of the reserves and satisfying contractual obligations of the District. He said some obligations still exist regarding O&M. Mr. Webb agreed and reiterated that the District's obligations go until 2043 and unless some legislative action can break the lease or all the parties agree to break the lease agreement, the District will continue to exist. He said that was the District's interpretation of it at that time and now.

Ms. Weycker was still confused regarding the lease versus the legislation with the District tax and how they exist without each other or together. Mr. Webb said the lease mirrors the legislation. Everything in the legislation is in the lease. He thought the people that drafted the legislation wanted everything in the lease to protect them against changes in legislation that might affect the lease if it's not incorporated. They are almost word for word in many cases. Mr. Kuehl agreed and thinks the best way to think about this is that the legislation was the conceptual framework for how the lease would work. The lease is a large document. It took all the things in the statutes and asked how in practice this would work because the statutes don't lay out every detail. The lease fills in all the blanks about how to get it done.

Mr. Webb asked if there were any other questions. Chair Lamine said there was no action needed and the intent was to make everybody aware of the effort that went into this study. He felt it was worthwhile spending time reviewing it again. It is interesting and complicated, and he feels the legislation has served the District well over the last 20 years. The District did what they were told to do and did it early and efficiently. He gave credit to the staff and everyone who put together the financial plan and credited the Board members for their efforts over the years as well.

There were no questions.

13. CONSIDERATION OF RESOLUTION 112 – AUTHORIZING APPROVAL AND ADOPTION OF 2022 BUDGET

Mr. Webb distributed highlights of the budget. Mr. Graul mentioned he had to leave early but wanted to ask some things about the budget before he left. He feels the majority of the budget is regarding maintenance of the facility budgeted at \$13.8 million. He wanted to know if the District knows how that money is spent and if the Board saw any of those expenses. Mr. Webb said the Board gets a summary of the expenses. Mr. Graul didn't see any of that detail. Mr. Webb said the District gets a line item detail. He explained that last year they only had it part way through the year and there will be one at the end of this year and will bring it to the Board. Mr. Graul asked how that money moves. Mr. Webb said the Packers give the District a certified statement that was set up by the District's attorneys requesting funds. Mr. Webb gave Mr. Graul a background about the 8257 Fund explaining it was set up by the statutes and the lease and it can only go to the Packers. The ticket tax the District imposed is collected by the District and he mentioned the flow of funds. He explained what goes into the Operations & Maintenance Fund and stated it can only be used for that purpose as stated in the lease. The Packers spend approximately \$35 million on operations and maintenance. The District pays them \$13 million depending on how many home games there are that varies with playoff games. The District gets the detail on the request and would be happy to share that information with the Board. However, the District doesn't really have any say on what they request. If he found something they requested that he felt the District shouldn't pay, they would find another amount somewhere else. Most of the expenses deal with utilities, labor associated with game day staffing,

Mr. Graul asked if this is an annual request. Mr. Webb said it is distributed however often they want to do it. Originally it was annually. This year they requested for the first half of the year, a quarterly request and then a final request. In 2020 it was different due to the ticket tax amount being only \$6 million due to the home playoff game at the beginning of 2020.

The Packers pay the ticket tax money to the District on a game-by game-basis. Mr. Webb receives a settlement sheet on each game and that money goes into an account and it stays there till March when they close out and settle up. The District really has no control over the procedures. The legislation was so tight on the Stadium District that it has no control over how that money is used other than it has to be used for operations and maintenance of the stadium. Mr. Graul added that the Packers control that. Mr. Webb agreed and commented that the District oversees that spending with its maintenance monitoring program to make sure they are doing a good job with the operations and maintenance. It is the same for the Capital Improvements Fund - that can only be used for the stadium.

Unlike Miller Park, Mr. Webb explained the Stadium District's legislation is really tight and doesn't have the ability to use funds for anything other than what the legislation says. In 2005, the Stadium District was able to negotiate ticket tax money for special events to go to an economic development fund. Because the District negotiated right before the Badger hockey game to give the seed money for economic development.

Mr. Graul stated that it seems like most of the District's budget is already spoken for and the District doesn't have much of a say on anything. Mr. Webb agreed and said the larger numbers are in the general fund - \$64,000 for a supplement to the escrow that was set up for administration. There is the \$100,000 that comes from the fund balance or escrow as most people in government understand, plus the District takes \$64,000 for operations. That \$64,000 is like the tax levy. The rest is self-contained. When you think of a normal government, they have a tax levy. The District's tax levy is really \$64,000 and a couple years ago it was \$100,000 so that amount is reduced each year.

Chair Lamine said the best description he can come up with is that the sources and uses of funds are dictated by the statutes. There's really no wiggle room. Mr. Webb agreed, but it also allowed the District to have a more definitive end date to the sales tax because they knew what the maximum needed

to collect. Miller Park was based on fifty percent of all future improvements. How would you cut off the sales tax with that requirement.

Mr. Webb said there were certain percentages for the Stadium District and they couldn't depend on other revenue. They already stopped the income tax checkoff and you never know about the brick and tile sales. The District was able to end the sales tax based on the legislation's requirements.

Chair Lamine said the state took a conservative approach and everything was well done in that regard, but it is complicated.

Mr. Graul left the meeting at 3:05 p.m.

Mr. Webb went back to the highlights of the proposed budget. He said it was based on the continuation of the District's contract with The Sigma Group, Inc. for maintenance monitoring and management services. For 2022, Sigma retains the Executive Director, and the Administrative Specialist remains a District employee. The Executive Director's hours have been increased by 1 hour per week and the Administrative Specialist is budgeted at a 2% salary increase and an additional 5 hours per week. These changes are a result of additional time required by the Administrative Specialist for the brick and tile program and the reallocation of duties previously performed by the Program Consultant who has agreed to remain available for Lease negotiations and limited consultation on other matters. The dollars for Sigma's contract are the same as last year but the deck chairs have just been moved around.

No sales tax will be received for District operations, but an escrow has been established, consistent with statutes, for District administrative expenses to ensure funding of \$100,000.00 annually until 2031.

Consistent with a memo of understanding with the Team, a transfer of \$27,000.00 from the Operations and Maintenance Fund has been budgeted to pay for the District's general liability (\$12,000.00) and professional liability (\$15,000.00) insurance.

Budget includes a transfer of \$64,319.48 from the Special Event and Economic Development Fund to support District operations. Transfer is a reduction of over \$2,500.00 from the 2021 budgeted amount.

Budget includes a transfer of \$37,833.94 from the 8257 Fund to support the Administrative Specialist's time spent on the commemorative brick and tile program - an increase of approximately \$10,000.00 from last year.

Budget provides that the District and employee each pay 6.5% of salary as their share of the contribution to the retirement system. This is a decrease from the 2021 percentage of 6.75% although the budget has been increased as a result of the salary and hour changes for the Administrative Specialist.

User Fees are budgeted at \$400,000.00 an increase of \$50,000.00 over the 2021. However, this is somewhat unpredictable and could vary based on the amount of season tickets exchanged.

Interest on the fund balance is budgeted as \$48,000.00 based on a balance of approximately \$3,000,000.00 being actively managed by Associated Bank. This is an increase of \$18,000.00 from the 2021 budget and reflects an increased fund balance resulting from a greater number of ticket exchanges than anticipated last year.

An escrow has been established, consistent with statutes, to meet annual 8257 Fund obligations which are based on an indexed amount - less alternative revenues.

Public Charges for Services include: \$500,000.00 Ticket Fee (required by the Lease) in addition to the following based on historical trends: \$400,000.00 License Plate Fees based on prior year trends, and \$70,000.00 Brick and Tile Fees - an increase of \$10,000.00 based on strong sales. Budget assumes fans will be permitted at games.

Interest earnings are budgeted as \$1,500,000.00 based on escrowed funds plus interest earnings on the first \$500,000.00 of ticket tax; License Plate Fees; and Brick and Tile Fees. Budgeted interested earnings do not include any mark-to-market adjustments as the District has no plans to sell investments prior to maturity and gains or losses would not be realized. Mark-to-market adjustments are considered in the District's annual audit.

Budget includes a transfer of \$37,833.94 from the 8257 Fund to support the Administrative Specialist's time spent on the commemorative brick and tile program - an increase of approximately \$10,000.00 from last year.

Ticket Fee revenue is budgeted as \$8,805,000.00 based upon the 2021 budgeted ticket tax and an anticipated home playoff game. Budget assumes fan attendance at games in 2022.

Budgeted Miscellaneous Revenue includes a transfer from the 8257 Fund in the amount of \$5,141,467.43 based on inflationary adjustments from the prior year as allowed by State Statutes and Lease provisions.

Budgeted expense for Maintenance and Repairs is \$13,848,867.43 based on anticipated funds available (Ticket Fee, Transfer from 8257 Fund and Interest) less agreed upon draws for: Independent Monitor, Qualified Bank Fees, District insurance premiums and contracted services from the Team for administration of the District User Fee.

Qualified Bank Fees include expenses of \$65,000.00 for bank fees and credit card charges related to the District User Fee.

MBE/WBE Independent Monitor expenses are budgeted at \$10,000.00 based upon agreement with Cross Management Services; costs could change based on unanticipated projects.

He asked if there were any other questions. Chair Lamine wondered about the membership to a Stadium Managers Association. Mr. Webb said they dropped Mr. Kuehl's membership to that organization because the Packers are members. Chair Lamine asked if Sigma could be engaged with that group. Mr. Webb felt it could be a possibility and could be done without adjusting the budget. Chair Lamine thought it might be a good educational resource with all the changes taking place here. Mr. Webb said he would discuss that with Mr. Kaszubowski.

Chair Lamine asked about the tile sections and asked if there was enough demand in adding tile sections. Mr. Webb said it would be difficult to find room for more tiles and the Team wanted to stop the sale of the tiles. He added there is plenty of room for bricks and the District is authorized by the legislation to sell bricks. He feels the sale would continue for as long as there's room for bricks.

Chair Lamine asked if the money budgeted for events included any WIAA events. Mr. Webb said there's \$19,000 available and he will be meeting with Mr. Everts in March about funding the girls basketball.

There was no further discussion.

A MOTION WAS MADE BY LEAH WEYCKER AND SECONDED BY KEITH LUCIUS TO APPROVE RESOLUTION 112. A roll call vote was taken with 4 AYES (WEYCKER, LUCIUS, LAMINE, SEN. COWLES) – 0 NAYS. MOTION CARRIED.

14. OTHER MATTERS AUTHORIZED BY LAW

Mr. Webb thanked the Board for everything they've done for the District this year and wished everyone a Happy Holiday Season. He's hoping future meeting might have less covid restrictions.

Chair Lamine wished everyone the same and thanked the staff and the members of the Board.

There were no other matters.

15. MOTION TO ADJOURN

A MOTION WAS MADE BY LEAH WEYCKER AND SECONDED BY KEITH LUCIUS TO ADJOURN THE MEETING. A vote was taken. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at approximately 3:20 P.M.

Respectfully submitted,

Diane Roskom
Administrative Specialist