

Five Flags Commission Meeting Monday June 22, 2009

Present: Bryce Parks, Rod Bakke, Sue Balsamo, Barb Kurt, Don Howes, and Ali Levasseur

Commissioner Parks called meeting to order.

Approval of Minutes: Commissioner Bakke motioned to approve minutes of May 26 meeting. Commissioner Parks seconded the motion.

Old Business:

- Ali will be working closer with Holiday Inn, marketing partner, and Best Western for promoting events in the fall. Will offer comp tickets in exchange for visible promotion of the event.
- Questions of the full year Dubuque Youth Hockey contract brought a discussion of their new building. Don reported that the group was still in negotiations and planning stage for the building. Their “silent partner,” is Mystique advocating they build a larger building for ice and concerts. A larger capacity building would allow the group to pursue the Thunderbirds or a USHL team, and other entertainment. Commissioner Parks discussed scenarios should Five Flags lose the hockey team and therefore disband the ice program. Without ice and ice related events, and restrictions regarding the pursuit of type of events management is allowed to host, the building could sit empty a great deal and therefore; it would not serve the community. Commissioner Parks went on to say that we have a great facility which now houses many groups and events. How can we reinvent this facility? If restrictions from city contract are taking event opportunities from us, i.e. flat floor shows go to Grand River Center, perhaps the management contract between SMG and the City of Dubuque should be readdressed. If the building is empty it is not serving the community. Don explained we are always looking to bring in new and different events. Joyce is exploring many new events to fill the building.

New Business:

- Commissioner Bakke presented information on bringing an event to Five Flags to celebrate the Theater’s 100th anniversary. The Michael Feldman show, *Whad’YA Know?*, from NPR may perform/record a show in the Theater. Commissioner Bakke and General Manager White will participate in a conference call with the Show manager to discuss the event next week.

Don Howes and Ali Levasseur provided departmental reports as follows:

Operations Department:

- Theatre Repair complete. Commissioner Balsamo asked if the cost of this repair is all covered by the city. Don explained the city would be paying for the repair money coming from Five Flags’ CIP budget rather than from our Operating Budget.
- Midland Communications – providers of new IP Voice Phone System using Shoretel equipment (still waiting for switchover). Estimated time for switchover is end of July.
- Five Flags switched internet providers (from Mediacom to Lightedge). The change was precipitated by the installation of a new voice over IP phone system. Commissioner Kurt asked if there was a difference in cost with the new provider. Don explained in the past the phone cost was roughly \$450-\$500 a month, internet separate. Now the phone cost will be roughly \$800 a month with internet included.

- Update of “in-house” feed capabilities. Don explained we re-worked a \$7,000 quote down to approximately \$3,400 with Dan Holtkamp doing some of the work in-house. When finished, patrons will be able to view video streaming of arena event on TVs in upper promenade and on screen in Theater if needed.

Marketing and Promotions:

- Booked wrestling camp for July 19-22
- Updating our website look and ease of navigation – (Ali is providing in-house design)

May Events Presented:

- Arena Pops – May 2
- Waiting for Godot – May 1-2
- Lilly’s Purple Plastic Purse – May 3
- Echoes of Ireland – May 9
- DSO Youth Symphony Concert – May 10
- Studio 5-6-7-8 – May 15-17 (4 shows)
- Senior HS Graduation – May 31 (1PM)
- Hempstead HS Graduation – May 31 (6PM)
- City Meetings – May 6, 20, 27
- Civil Service Test – May 6, 11
- City Management Team – May 12

June Events Presented:

- Corn Cob National Wrestling Tournament – June 6
- Xtreme Dance Recitals – June 13-14
- FBN “Bad Seed” – June 5-7, 12-14
- Iowa Ayrshire Association - June 16-20
- WWE Raw – June 21 – Drop count 2,602

Financial, HR, Accounting Report:

Don Howes presented the financial report as follows:

- May Financial Review
 - Reviewed the May Event Totals page, highlighting Studio 5678 brought in \$7,116.48 Net income for the building.
 - Actual Adjusted Gross income of \$471,135, with budgeted \$498,767; a \$27,632 difference. Our Rental Income was down from budgeted, but we made it up with the Ticketmaster rebate.
 - Actual Adjusted Net Income (Loss) of \$760,478, below Benchmark of \$781,882. Gives \$21,404 split between SMG and the City. Commissioner Balsamo asked what happens to the money the City takes from the Benchmark. Don explained 50% goes to SMG Corporate and 50% goes to City of Dubuque to offset the Benchmark given to Five Flags.
 - Income Statement: Don explained the negative under Advertising was there as a result of clearing up a double entry error.
 - YTD Actual Ancillary Income is \$186,641; budgeted \$273,273.
- Don presented the Benchmark is based on the CPI (Consumer Price Index) all urban. The CPA has dropped 1.3%, but our Benchmark will not be lowered, it will stay the same. FY10 Benchmark will be \$781,882.

- FY10 Operating Budget will be adjusted to reflect full year of projected ice revenue from DYHA.
- One-year Thunderbird Contract 2009-10 – prepared and submitted
- Youth Hockey Contract – prepared and submitted based on full season of ice usage

Upcoming Box Office on Sales:

- Gaither Vocal Band – Reunited Tour, Show date (September 12) – On sale May 18

Food and Beverage:

- Summer cleaning – disposing of old equipment stored in basement
- Ordered minimal food and drink for WWE to eliminate wasted inventory during summer
- Commissioner Bakke commented on the new F&B financial information. Stated how they have done better compared to past year. Don predicted F&B would end the year about equal to FY08.

Other:

- Utilized “inaugural” wireless mobile credit and debit card machines in concession stands for WWE
- View sample of new “Five Flags gift cards” (purchased 1000). Can be used for tickets or Concessions.
- CIP Budget Items for F10 include:
 - Replace Center’s PA System
 - Paint Arena Ceiling (likely next June)
 - Paint exterior metal of theatre
 - Refurbish brass in theatre
 - Replacement of tables and chairs (may be on hold relative to cost of theatre damage repair) – to be determined
- Commissioner Parks asked what the cost the paint the exterior metal of theater would be. Talked about wrapping the exterior of Theater with images as Billboard Space. Would like to know the cost of painting exterior metal to compare to the cost of images on outside of building. Something similar to the images of parking garage of Diamond Jo.
- Ali officially announced Commissioners Fuller and Parks have been re-appointed by the City Council for another three-year term on the Five Flags Center Commission.

Miscellaneous:

- GM to attend IAAM Senior Executive Symposium at Cornell University, New York on June 22-25
- Staff vacations heavily scheduled for July

Adjournment of Monthly Commission Meeting:

Commissioner Parks adjourned the meeting. Commissioner Bakke and Balsamo seconded.

Next meeting: in the General Manager’s Office on Monday July 27, 2009 at 4:00PM. Five Flags staff will place a call “Thursday before” and a “Monday of” email to remind commissioners of the meeting.