

# THE MONUMENT

## BOARD OF DIRECTORS MEETING MINUTES JUNE 22, 2021

Vice-Chair of the Board, Charity Doyle, called the meeting to order at 8:16 a.m. with the following Board members present: Gary Brown, Tim Johnson, and Jason Lambert. Staff present include: Executive Director, Craig Baltzer; Deputy Director/Finance, Tracy Heitsch; Deputy Director/Events, Jayne Kraemer; Accounting Clerk, Teresa Dringman; Operations Manager, Rory Hammerbeck, and Stage/Production Manager, David Owen. Others present include RC City Council, Greg Strommen; and via tele-conference: Visit Rapid City, Julie Jensen; RC Journal, Kent Bush; and Assistant City Attorney, Jess Rogers.

After review of the meeting agenda, motion was made by Brown and seconded by Johnson **to approve the agenda as presented.** Upon vote being taken, the motion carried unanimously.

### General Public Comment

None.

### Minutes

Motion was made by Brown and seconded by Johnson **to approve the minutes of June 8, 2021, meeting as presented.** Upon vote being taken, the motion carried unanimously.

### Bill List

The 2021 Bill List for June 22, 2021 was audited.

A & B BUSINESS SOLUTIONS INC	1,441.99
A&J SCREENING-PARK BENCH APPAREL	724.00
ACE HARDWARE-WEST	12.99
ACTION MECHANICAL INC	75.00
ALSCO INC	1,610.02
AMAZON CAPITAL SERVICES	394.00
BATTERIES PLUS BULBS	862.90
BLACK HILLS & BADLANDS TOURISM ASSOCIATION	919.50
BLACK HILLS ORTHOPEDIC & SPINE CENTER PC	180.00
BORDER STATES ELECTRIC SUPPLY	50.92
CARBONHOUSE	21,225.00
CASH-WA DISTRIBUTING COMPANY	3,694.14
CBH COOPERATIVE	219.10
CITY OF RAPID CITY	5,660.39
COCA-COLA OF THE BLACK HILLS	3,059.00
CONVERGINT TECHNOLOGIES LLC	158.16
CRESCENT ELECTRIC SUPPLY CO	11.16
CRUM ELECTRIC	724.50
DAKOTA BATTERY/ELECTRIC	248.90
DENNIS SUPPLY	142.67
EASTMAN SOUND & MUSIC	55.00
ECOLAB INSTITUTIONAL INC	294.95
FISHER BEVERAGE COMPANY INC	1,171.30
FOUR WINDS INTERACTIVE LLC	72.28
FULL COMPASS SYSTEMS LTD	605.28
GOLDEN WEST TECHNOLOGIES INC	227.50
GRIMM'S PUMP SERVICE INC	30.60
HARVEYS LOCK SHOP INC	17.96
JJ'S ENGRAVING & SALES	32.00
JOAN'S PLANT SERVICE	350.00
KIEFFER SANITATION INC	1,850.21
KNECHT HOME CENTER	48.05

KONE	4,925.94
LIGHTING MAINTENANCE CO	75.12
MATHESON TRI-GAS INC	110.53
MENARDS	377.38
MOUNTAIN STATES SECURITY INC	123.92
PRESSURE SERVICE INC.	110.09
RAPID CITY JOURNAL - ADVERTISING	201.63
RAPID CITY SHRINE CLUB	100.79
REPUBLIC NATIONAL DISTRIBUTING COMPANY	619.95
SERVALL UNIFORM/LINEN CO INC	128.61
SYSCO MONTANA INC	4,493.72
US FOODS	16,793.73
US FOODS INC	6,561.83
VAST BUSINESS	2,694.96
VERIZON WIRELESS	1,509.47
WALCRO LLC	43.98
WATERTREE INC	69.00
WESTERN STATIONERS	157.10
WHISLER BEARING COMPANY	27.21
ZYMURCRACY BEER COMPANY	600.00
Total	<u>\$96,306.83</u>

Motion was made by Brown and seconded by Johnson and carried **to authorize the Finance Officer to issue warrants or treasurers checks, drawn on proper funds, in payment thereof.**

### Liaison Reports

Visit Rapid City – Julie Jensen stated SDHSAA made a statement at their last board meeting that Rapid City hotels treated them poorly at the state track meet. Jensen has been in communication with hotels about cost and has a meeting with the Central and SDSMT athletic directors regarding this. Jensen heard there was a discussion that Rapid City should give up the track meet. Baltzer stated it is important to discuss hotel issues because Northland Hockey is really concerned about being able to come back next year because of hotels. The concern is rooms are set aside for tourism and not for conventions and events. Jensen stated some Freedom Fest event goers might be staying at School of Mines.

Jensen announced tonight is a farewell party for Dan Seffner at Main Street Square. On June 30 at 4:30 p.m. there will be a tribute to Ray Hillenbrand at Main Street Square. Jensen invited Kraemer to the Black Hills Pow Wow meeting on June 30 at 3 p.m. VRC will provide more sponsorship money this year for this.

RC Council – Greg Strommen stated last night City Council approved a resolution for a two-step increase and COLA for nonunion employees. They will be working on reallocation of unbudgeted money which will not be concluded until September. Doyle asked about director projects versus council member projects, and Strommen stated the Adams Street building has gotten some interest. Baltzer confirmed the Adams Street building is a problem and needs to come down for safety purposes.

RC Schools – None.

### Financial Information

Heitsch discussed the working financial papers as of and ending in the month of May 2021 YOY comparison through 2017. Total revenue in May 2020 was \$306,000 with \$201,000 of that BBB. Total revenue in May 2021 was \$487,000 with only \$18,000 in BBB. Rental revenue is solid, but we are not back to 100% or pre-COVID business. Revenues are almost opposite of where we would typically be with nonprofits only accounting for 30% of revenue and commercial business being 60%. Corporate sales are very busy and will report to the board in approximately 2 months. The BBB is staying strong, but we only got one payment in May which makes it look like we are down. However, the payment in June puts us very strong in comparison to previous years. We are above almost every previous year. Concessions revenues continue to stay strong reflective of commercial versus nonprofit. The strength is in concession stands and liquor versus in-house catering. With our convention traffic over the summer, we expect rebounding. Expenses are a little less. Insurances are up across the board, and we will see hikes in insurance with the new building. Debt service has some increases as well as professional services. The bond refinance will still mature in 2028, but we did save money with refinance.

Utilities are higher, and we have been investigating this. The Monument has taken on utilities at the new arena from day 1. We were quite surprised when natural gas was substantially higher. Basically, the request from Mortenson was for a huge volume. We spent \$75,000 more in MDU costs than we would have expected, but the temporary line has been disconnected. When we are ready to connect permanently, it will be a lower volume. We are seeing electrical costs go up as well.

Heitsch stated interdepartmental charges are up 9% from last year. We will be at \$550,000 for the year. The PILT is \$121,000. Those are big numbers for the budget and continue to be a concern. Our cash position is solid. The whole team spends only what we need to spend. We try to make decisions based on cash being there to support the expenses. The Board accepts this as information.

**Event Update** – Kraemer presented a 3-week look calendar. In June we had Red Pill Expo and Quad State Bankers Convention. The Quad State Bankers Convention numbers were down to about 300 versus the norm of up to 500. Some banks are still not open to the public. We had a lot of catering for the convention. The Rush will be doing a Select a Seat event on July 10 where people can come in and renew tickets, pick new seats, upgrade seats. Council of State Governments will be here for 4 days in July. Then, we have a few days of down time with local events before Freedom Fest begins. They will have 3,500 people which will take up the entire building but the ice arena. Right now it is our storage room. That is really the only place we can store things since we have construction in Barnett. In August we have the National R-CALF convention. We have a small youth event, Pursuit, which goes with the Billy Graham event in September as well as the Church of God events. The Shrine Circus will be here in September in Barnett. That will be first big nonprofit event to kick off our fall and then Love Inc in November.

Convention business continues to be strong. VRC does a good job working with the staff. Tanya Gray does a lot of convention bidding. This Saturday we have the Officials Sports Awards Banquet with Paul Sterling being inducted into the Hall of Fame.

**Executive Director's Update** – Baltzer stated the big Rushmore Plaza Civic Center sign that faces south is gone. The Monument sign will be going up this week. Baltzer also stated he is part of a group working on the 50<sup>th</sup> anniversary of the flood. The Monument's role in this would be to celebrate the good things that came out of the flood. There was tragedy, but we had change with the beautiful parkway, golf courses, recreation centers, and the civic center. We are working to make our connector from the current main concourse to the new building as going from old to new to make it part of the story which ties into the flood. We are going to have some of those elements to tell the history.

On September 14 there will be a Chamber mixer hosted at the Monument and will involve some element of the new building. We will need another month to plan it out and expect a lot of people there.

We are working on the Barnett arena changing to a fieldhouse. There are still some ADA changes that need to be made to locker rooms, bathrooms, and concessions. Rory Hammerbeck reported late last week that the telescopic seating in Barnett is on its last leg. That will be the seating for the arena after we decommissions the upstairs. The Barnett can still hold 1,200 to 1,500 people there for sporting events and small floor-type concerts. We have this obligation to keep operating the Barnett. We are going to need to put a little money in it that has not been budgeted. Baltzer says costs for ADA fixes have probably gone up. Time will tell how that building will operate. We will be talking more this summer. The goal is to have it pay for itself in utilities and maintenance. Doyle asked if we could do ancillary fundraising for that at the 50-year anniversary and was sure Barnett would be willing to come back. Baltzer liked that idea.

Johnson asked if The Monument is missing out on bigger events due to lack of convention space. Kraemer stated we have lost out on some conventions, but with the Summit holding a trade show, Barnett doing general sessions and trade shows, and Rushmore Hall doing the banquets, we have the potential to host more. Johnson had asked about Barnett being a multilevel convention center, but Baltzer stated that is not an option with the stadia being the foundation of what holds up the building. Kraemer stated we do have the theater for the convention which works great for speakers. The difficult part is we do not have a convention hotel or a 4- or 5-star hotel to draw people for these big conventions.

Baltzer stated Leah Braun is working with the city on city culture, team culture, and department culture. We have a meeting with her tomorrow. She met with Baltzer, Kraemer and Heitsch and talked about culture and how we have tried to evolve our culture. She talked individually and did a poll with employees. The poll with employees reinforced the change of culture. She used it as a case study at the directors'

retreat. We are looking to continue to expand and grow our culture. We have a new position that we are working on filling, Team and Culture Coordinator. We are going to create this position to help ensure we go through the hiring process right so that department heads do not have to do it all. This person will do onboarding, schedule proper trainings, and be a liaison to city HR, as well as all things culture and PEOPLE at The Monument.

### Miscellaneous

- 1) Capital Update – Heitsch stated we are working on the scrubber, lift, scissor lift, flatbed trailer, and enclosed electric shuttles. We are working on alternatives for wireless cameras. The compressor is imminent. The gate control system was able to be put into the new building budget. We are also looking at black curtains to block off the upper seating in Barnett. One thing that has been authorized is maintenance and preventative maintenance software which Hammerbeck will give an update on today. We have procured the fire alarm panel with pieces coming in. The chamber remodel is something we are slowly working toward with new chairs coming in to the board room, new flooring and the walls being redone. Operations is doing that work. We are working on the bathrooms, but it is going slow because of availability of a plumber. We are also looking toward LED conversion of parking lot lights. We want to make sure we have the cash in place before moving forward. The item we are asking for today is purchasing used equipment from Pizza Ranch. Discussion followed. Motion to **approve the purchase of used equipment from Pizza Ranch was made by Brown and seconded by Johnson.** Upon vote being taken, the motion carried unanimously.
- 2) Upkeep Update – Hammerbeck discussed the new maintenance software which will be fully operational by August 1. This software is the best option for tracking assets. It will help us clean up the asset list and move away from Post-It notes for repair needs. This app can be on your phone or computer. If an employee sees something that is broken, they can type in what needs to be fixed, scan the QR code on the item, and hit submit. Maintenance will get a notification. Whoever submits the ticket will be updated when work is being done and completed. We are training our team on this software. It is very easy to use. It will help with inventory because you can scan an item, such as a light bulb, when you use it, and it will be removed from the inventory. We are going to work on an integrating system with sensors and will know if a unit is being problematic. Heitsch stated it is a \$10,000 a year investment. We are tracking for budgeting purposes. No motion needed. This was just an update for the Board's information.

There being no further business, motion was made by Brown and seconded by Johnson **to adjourn the meeting.** Upon vote being taken, the motion carried unanimously. The meeting adjourned at 9:29 a.m.

I certify a true and accurate accounting of the minutes of the meeting.

*Teresa Dringman*  
Teresa Dringman, Accounting Clerk

July 13, 2021

Date