Chair of the Board, Brad Estes, called the meeting to order at 8:15 a.m. with the following Board members present: Tim Johnson, and via tele-conference: Jason Lambert. Staff present include: Executive Director, Craig Baltzer; Deputy Director/Finance, Tracy Heitsch; Deputy Director/Events, Jayne Kraemer; Guest Services Manager, Mark Eisenbraun; Stage/Production Manager, David Owen; and Accounting Clerk, Teresa Dringman. Others present include Visit Rapid City, Stacie Granum; City Attorney, Joel Landeen; and via tele-conference: City Councilman, Greg Strommen.

After review of the meeting agenda, motion was made by Lambert and seconded by Johnson to approve the agenda with revision to move Rapid City Council report to directly after the minutes. Upon vote being taken, the motion carried unanimously.

**General Public Comment**
None.

**Minutes**
Motion was made by Johnson and seconded by Lambert to approve the minutes of October 12, 2021, meeting as presented. Upon vote being taken, the motion carried unanimously.

**Liaison Report**

**RC Council** – Strommen stated last week the council approved capital expenditures for $20 million in funds for public safety which is much needed. We are in a position where those projects will not take away from the capital improvement fund. The vision fund presentations were last week. The vision fund committee will make recommendations to the city council in December. We noticed vision fund requests mainly had to do with athletics to include tennis, soccer, and baseball. One thing that was not requested was pickleball. We do have some courts behind the Canyon Lake Activity Center. Strommen would not be surprised if at some point we attract some pickleball events. It might be something in the fieldhouse or arena that could be accommodated.

**Bill List**
The 2021 Bill List for October 26, 2021, was audited.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>A &amp; B BUSINESS SOLUTIONS INC</td>
<td>1,539.46</td>
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<tr>
<td>ADAMS ISC</td>
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<td>ADECCO EMPLOYMENT SERVICES</td>
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<td>ALSCO INC</td>
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<tr>
<td>AMAZON CAPITAL SERVICES</td>
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<tr>
<td>BORDER STATES ELECTRIC SUPPLY</td>
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<tr>
<td>BROADCAST MUSIC INC</td>
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<tr>
<td>CASH-WA DISTRIBUTING COMPANY</td>
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<tr>
<td>CBH COOPERATIVE</td>
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<tr>
<td>CHRIS SUPPLY COMPANY INC</td>
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<tr>
<td>CLIMATE CONTROL SYSTEMS &amp; SERVICE LLC</td>
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<tr>
<td>COCA-COLA OF THE BLACK HILLS</td>
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<td>DAKOTA SUPPLY GROUP</td>
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<tr>
<td>DIAMOND VOGEL PAINT CTR</td>
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<tr>
<td>EASTMAN SOUND &amp; MUSIC</td>
<td>55.00</td>
</tr>
<tr>
<td>ECOLAB INSTITUTIONAL INC</td>
<td>482.30</td>
</tr>
<tr>
<td>FISHER BEVERAGE COMPANY INC</td>
<td>1,058.90</td>
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<tr>
<td>FRONTIER AUTO GLASS</td>
<td>212.59</td>
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</table>
FULL COMPASS SYSTEMS LTD 596.32
GODFREY BRAKE SERVICE & SUPPLY INC 17.13
GOLDEN WEST TECHNOLOGIES INC 160.00
GRASSLAND GOURMET AND GIFTS LLC 36.00
HERITAGE MAINTENANCE PRODUCTS 208.41
JANTECH LLC 295.00
JOAN'S PLANT SERVICE 36.00
JOHNSON BROTHERS OF SD 3,199.40
KIEFFER SANITATION INC 1,932.23
KNECHT HOME CENTER 60.93
MATHESON TRI-GAS INC 107.35
MENARDS 441.35
MOUNTAIN STATES SECURITY INC 123.92
PACIFIC STEEL & RECYCLING INC 52.80
PERFECT WAVE PRODUCTIONS LLC 254.90
PETE LIEN & SONS INC 1,260.00
PRAIRIE AUTO PARTS 56.93
QUALITY BRANDS OF THE BLACK HILLS 20,915.70
RAINBOW GAS CO 37.77
RAPID CITY JOURNAL - ADVERTISING 277.03
REPUBLIC NATIONAL DISTRIBUTING COMPANY 545.64
SAFEWAY INC 302.67
SAM'S CLUB 43.92
SERVALL UNIFORM/LINEN CO INC 257.22
SOUTHERN GLAZER'S OF SD 422.40
STATE OF SOUTH DAKOTA 772.65
SUMMIT COMPANIES 419.75
SYSCO MONTANA INC 7,138.34
ULINE INC 4,149.83
US FOODS 9,070.93
US FOODS INC 5,030.24
VAST BUSINESS 2,672.59
VERIZON WIRELESS 1,788.34
WESTERN STATIONERS 385.00
WHISLER BEARING COMPANY 44.06

Total 96,992.68

Motion was made by Johnson and seconded by Lambert 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 – Granum stated tomorrow is Julie Jensen’s retirement reception at the Rushmore Plaza Holiday Inn from 1 p.m. to 3 p.m. Everyone is invited. The BBB and hotel tax are up from 2019. We are still seeing visitors but starting to see a slow down. VRC is working on 2022 planning. The international travel restrictions will be lifting in early November. We might see some travel from that market and even over the winter season. Bookings are up for winter travel. Hopefully we will see some of that. We are looking for ways to drive more visitors to Rapid City and are open to any ideas. We had some big groups in September. We were talking with a lot of meeting planners. We are working on new groups interested in coming. The Amazing Rush went really well. We held the finale in the Summit Arena. It was amazing. We had some great groups, and they were impressed with the facility. We are ready for the visitor guide and maps to go to print. There is a special feature on The Monument. We will ramp up promotion for the winter season. It sounds like a lot is happening at the airport as well. They have big plans that will impact the visitor industry. The Journey Museum is having an event from 5 p.m. to 7 p.m. today to unveil a replica of Tinker, an adolescent Tyrannosaurus Rex.

Financial Information
Heitsch discussed the working financial papers as of and ending in the month of September 2021 YOY comparison through 2017. These numbers are reflective of the first nine months of 2021. This is preliminary as City Finance has changed their procedures for end of month. We normally receive the
tressurer’s report by the 10th of the month. Now they are saying it may be as late as the 20th of each month, which delays our ability to consistently report the previous month’s financials by the end of the current month. We will always try report at the second meeting, but there may be times when this is not possible.

With that said, in a perfect budget, we would have received 75% of our revenues at this point in time and not expended more than 75% of our expenses. We are below by 10% on both sides. Revenues for September were up substantially from previous years. September was a solid month. Rental revenue was solid. We have had a lot of events, which is great. We are continuing to see our commercial events exceed the number of nonprofit events, which directly affects our rental revenues. Nonprofit events have not fully returned yet. As Granum stated, the BBB continues to be very strong…reflective of business through July. As of yesterday, we are one payment behind last year, as to payment timing. Even during COVID last year it was strong. We are ahead this year. Concessions revenue continues to stay strong. It is the strongest categorically. Our prices are higher than they have been the last few years. Food and beverage are more expensive to purchase versus in the past. Pricing is reflective of that.

Overall revenues are very strong when compared to the last five years. On the expense side, most of our expense lines are higher compared to last year. Wages are still less than budgeted. This picture is going to change because we have three payrolls in October, the team appreciation program, and the operations sustainability plan which is increasing operations wages. We are seeing that reflected in the number of applicants for open positions. Our wage is now competitive. We are going to see a rise in our insurance and just approved a $40,000 invoice for the new building for the last quarter of the year. We are working with Black Hills Insurance to keep expense as in control as possible. Supplies are up as we prepare for large usage in new facility. Utilities are up, but we made the decision to take on utilities during the building process. Last year through September we spent $545,000 in all utilities. This year it is $797,000…reflective in electricity and natural gas. The new building has a lot of natural gas. This is reflective of heaters going during construction. Our cash position is solid; however, we are going to see a hit to our cash position based on center hung and ribbon boards. Mortenson payment of $850,000 for partial payment on the center hung and ribbon boards just came due. That is going to be reflective in our cash position. When the city does its next supplemental appropriation, we will see a $1 million loan proceeds infusion in our financials in November. Pauline Sumption and Heitsch developed the loan amortization schedule at 3% for 10 years. It will be an annual payment of about $120,000 a year. We are working closely with public works to close out the contract by the end of the year. The Board accepts this as information.

**Event Update** – Kraemer introduced Mark Eisenbraun as the new Guest Services & Safety Manager. He is a great asset and addition to our staff. He has been here for a week and worked 6 days in a row. We are super excited to have him.

Regarding events, last weekend was opening hockey with the Rush. They split the games (one win/one loss) but the team was competitive. They are on the road this weekend and next weekend. They will be back Veterans Day week. Last weekend we had a cornhole tournament with 42 states represented. A good handful were cornhole throwers on ESPN. We also hosted Catholic Social Services Annual Gathering and the dog show. This week we have testing and All-State Chorus and Orchestra, our first ticketed event in the Summit Arena. We are excited to have an event in that arena. Next Thursday Master Chef Live is in the theatre. Next weekend we have the Black Hills Works Gala. They are not having one big gala but four small ones, two on Friday and two on Saturday. They will have a meal at the early event and then heavy hors d’oeuvres at the late event. We also have a ski swap and a dance convention next weekend. The following week we have For King and Country, the annual Beerfest, Rush Hockey, the Real Life Women’s Conference, and the Winter Marketplace Pop Up. The next week leads to state volleyball. November gets busier and busier each year.

**Executive Director’s Update** – Baltzer stated All-State Chorus and Orchestra is the first event in the new arena. There will be about 6,000 people coming. We are excited to be operating the building. We have been doing small internal events. We had our open house Saturday and had several hundred people coming through. We spent the majority of the time answering questions. We had the ribbon cutting event with Elevate and thought it went well. We got to see how the premium levels could operate. The real test will be with real events. On the new building, Mortenson is continuing with the punch list. We are seeing Mortenson less and less. You will see a lot of sponsorship signage going up. We have had questions about the panels on the outside of building. That is where The Monument signage will be installed. They are building the understructure to carry the weight. The letters should be going up mid November.
Priscilla Dominguez will give a report again on sponsorship. We are very pleased with where we are. Premium sponsorship sales and PSLs are going very good. We have had a decent jump in our part-time labor issues just this past week or two. We are not full staffed. Our comfort lies that we can run the event this weekend. We do have a certain amount of people coming through. We believe wages are a part of that. Salary changes in the city have also moved the needle a little bit. We put some money towards marketing those position. We might be a little stronger than other city departments. We are not to stock show and rodeo staffing strength yet, by any means. We feel a little more comfortable than we did a month and a half ago.

**Miscellaneous**

1) **Capital Update** - Heitsch stated the item still sitting on the list is the electric shuttles. Baltzer stated we are partnering up with Main Street Square on this item. They are looking for vision funds on their end. We may decide to move forward with our part but are waiting to see. Heitsch stated we have taken some items off the list with COVID—items not available and no final pricing. This leaves the water barriers. The Rushmore Hall fire alarm panel has had pieces and parts, but the rest of the pieces are on a cargo ship off the coast of California – waiting to be off loaded. In fact, to finish the Summit we had to take from the pieces we had. This is just in a holding pattern. It does not change the price – so far. The $60,000 budget for remodel for the chamber space is still active. The board room got new carpet last week. We will continue to bring it forward as pricing is updated.

2) **Water Barrier Bid** – Heitsch reminded the Board that they allowed us to go out to bid. We had four bids, one local and three from across the country. OTW Holding Company was the low bid at $71,638.80. With the Board’s approval, we will move forward with the purchase. Motion to approve with purchase of water barriers from OTW Holding Company was made by Johnson and seconded by Lambert. Upon vote being taken, the motion carried unanimously.

There being no further business, motion was made by Johnson and seconded by Lambert to adjourn the meeting. Upon vote being taken, the motion carried unanimously. The meeting adjourned at 8:49 a.m.

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

_Teresa Dringman_
Teresa Dringman/Accounting Clerk
October 26, 2021

_Date_