

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, September 27, 2021** at 2:00 p.m.

PRESENT: Chuck Lamine, Leah Weycker, Kristen Johnson, Keith Lucius, Mark Graul, and Sen. Cowles

EXCUSED: Bill Galvin

ALSO PRESENT: Pat Webb, Greg Kuehl, Ken Kaszubowski, and Brian Dworak

1. CALL MEETING TO ORDER

The meeting was called to order by Chair Lamine at approximately 2:03 p.m.

2. ROLL CALL

Roll call was taken. All Board members were present except Mr. Galvin who was excused.

3. PLEDGE OF ALLEGIANCE

The Board recited the Pledge of Allegiance.

4. APPROVE/MODIFY AGENDA

Mr. Webb mentioned there would be no presentation by Mr. Millerwise. He asked for a motion to approve the agenda as modified.

A MOTION WAS MADE BY SEN. COWLES AND SECONDED BY KEITH LUCIUS TO APPROVE THE AGENDA AS MODIFIED. A vote was taken. MOTION CARRIED UNANIMOUSLY.

5. ELECTION OF OFFICERS

Mr. Webb summarized the bylaws regarding the election of officers. They are required to elect officers on an annual basis and it needs to be done at the annual meeting to be held in September. The officers are elected from Board members but the bylaws don't provide any specific provision as to how it has to be done. In the past, the Board has done it a number of different ways. He noted there is nothing specific in the statutes regarding how the officers are elected. The only requirement is it is done at the annual meeting in September and the officers come from sitting members of the Board. Mr. Webb also noted that in years past the Board has elected the current slate of officers if they all agreed to serve another term.

Mr. Lucius asked the board officers if they would continue in their current capacity. They all agreed they would.

Chair Lamine asked for a motion to nominate current slate of officers.

A MOTION WAS MADE BY KEITH LUCIUS AND SECONDED BY MARK GRAUL TO NOMINATE THE FULL SLATE OF OFFICERS FOR ANOTHER TERM.

Chair Lamine asked three times for any other nominations. There were none.

A MOTION WAS MADE BY KEITH LUCIUS AND SECONDED BY MARK GRAUL TO CLOSE THE NOMINATIONS.

A vote was taken. MOTION CARRIED UNANIMOUSLY.

A MOTION WAS MADE BY SEN. COWLES AND SECONDED BY MARK GRAUL TO ELECT THE CURRENT SLATE OF OFFICERS AS NOMINATED:

CHAIR	CHUCK LAMINE
VICE-CHAIR	LEAH WEYCKER
TREASURER	SEN. COWLES
SECRETARY	KRISTEN JOHNSON

A vote was taken. MOTION CARRIED UNANIMOUSLY.

6. REQUEST FOR APPROVAL OF THE MINUTES – JUNE 28, 2021

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

7. COMMUNICATIONS

A. GREEN BAY PACKERS SHAREHOLDERS' MEETING FINANCIALS

Mr. Webb presented the Packers statement of income and expenses. He directed the Board to the footnote at the bottom. The Packers reported expenses of \$35 million and \$33 million respectively. The District contributed \$5.6 million in 2021 and \$13.2 million in 2020. The difference was that ticket tax revenue in 2021 was very limited with fewer ticket sales. He also reported that the transfer from the 8257 was around \$5 million. He asked if the Board had any questions. There were none.

B. LATE COMMUNICATIONS (IF ANY)

There were no late communications.

A MOTION WAS MADE BY LEAH WEYCKER AND SECONDED BY KRISTEN JOHNSON TO RECEIVE THE COMMUNICATION 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 showing the \$748,000 balance as of August 31. This amount has to get the District to 2031. He reported that the volleyball tournament was being

held as scheduled. Hopefully the area businesses will benefit when the event takes place. As you can see from the article to follow, the Notre Dame game at Lambeau has been rescheduled to 2026. The District could have really used the funds earlier. The District had some discussions with the Team about a concert in 2021 and a contribution the District could have made for the 2024 NFL draft. This will be revisited in 2022. Ms. Weycker asked about the concerts held in the parking lot and if they are revenue generators. Mr. Webb said they probably only make money on the concessions because it is a free event.

C. Brown County Project Report for the Resch Expo

Mr. Webb reported on the Brown County report on the sources and uses of funds on the Resch Center. He would like to hold the next Board meeting there if there is a meeting held in person. He will set that up. Chair Lamine said he hasn't been in the new building yet. Mr. Webb complimented those involved and noted it is a wonderful building and will have numerous uses. Chair Lamine said some friends from out of town didn't realize this new building went up. Mr. Webb said it is impressive. Chair Lamine said it probably sets up the City a lot better for hosting the draft. Mr. Webb said it does and they have applied to host the 2024 draft. Mr. Kuehl said there's a rather lengthy process to determine the host.

A MOTION WAS MADE BY KRISTEN JOHNSON AND SECONDED BY LEAH WEYCKER TO APPROVE THE REPORT. A vote was taken. MOTION CARRIED.

9. ANNUAL MAINTENANCE AUDIT

Mr. Kuehl reported this is an audit performed on an annual basis as required by the provisions of the lease. The District holds a kickoff meeting with the Facilities Director and Sigma assessment team to discuss the schedule, etc. The meeting started with an introduction of Mike Moynihan who took over for Ted Eisenreich as Facilities Director. Hopefully, Sigma and the Facilities Department can continue this successful relationship and Mike feels it will carry on as it has been. The capital improvements are reviewed to alert Sigma to the building changes. There were a couple mentioned at this meeting – the Phase 4B concourse renovation bid has been awarded to Miron. This includes additional grab and go concessions and a production data center on the mezzanine for the new scoreboards which are scheduled for use in 2023.

There was some follow up on past items like the ICP panels which are the precast brick panels on the outside of the building. They also keep an eye on the suite windows and that seems to have been resolved.

The assessment schedule is then reviewed. The report will be coming to the Board soon. The game review has also been scheduled for November 4. Mr. Kuehl said he will let Sigma write the report this year as he will be leaving at the end of the year.

Chair Lamine asked about the suite windows. Mr. Kuehl misspoke and explained it is actually the larger indoor club seat level windows that were being watched.

Ms. Weycker asked if there were any reports on revenue for the grab and go vs the manned concessions. Mr. Kuehl said they don't ask for that information, but they did notice the pass through in the concourse has improved and the line wait time is shorter which will help alleviate congestion especially at

halftime. She asked about the vendors in the stands and whether that would come back. Mr. Webb said they aren't taking cash now and that may not come back.

Mr. Kuehl said staffing has been difficult and this will help address that as well. The grab and go is just a different animal. Mr. Webb said the third level still doesn't have the grab and go and he waited quite a while at the last game he was at. Ms. Weycker said she doesn't like to leave her seat so she didn't buy anything when she was there. She said the vendor in her section was going to be doing this for 50 years and she hopes it comes back.

Sen. Cowles asked Mr. Kuehl to explain more about the concrete work and how the City is involved. Mr. Kuehl said the City owns the original part of the bowl. The Packers go around the bowl and repair anything that shows up – concrete damage, etc. He asked if that was totally distinct from the analysis done by Sigma. Mr. Kuehl said Sigma looks at everything on site but this simply means that the City has been doing the work as opposed to the Team contracting it out to a private entity. Mr. Webb said the Packers seem happy with the setup. Ms. Weycker asked who pays for this. Mr. Webb said the Packers pay for it as part of their maintenance responsibilities.

Chair Lamine asked if Sigma is comfortable with this system as well or if they had anything to add. Mr. Kaszubowski said the repair work is all performed well.

10. JUNE, JULY, AUGUST 2021 FINANCIAL REPORTS

Mr. Webb mentioned the only thing that is different than the budget is that they took in about \$706,000 worth of user fee compared to about \$350,000 budgeted. You just never know how many people are turning in tickets. This year it was higher. It's not a lot when you divide that by \$3,000 a ticket in an 80,000-seat facility. However, we used to only get about \$250,000 worth of turnover every year and this seems higher probably for a variety of reasons. Ms. Weycker said that is good for the District because the District gets more money from the new seats. Mr. Webb said they will probably always get the seats sold due to the long waiting list.

There were no other questions on the financials.

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

11. ANNUAL AUDIT

Mr. Webb presented the audit and mentioned it is pretty standard. It repeats the financials presented to the Board every month. They mentioned the fact that only one person does the financials but Mr. Webb said they rely on the Trustee at Associated Bank to monitor all the transactions. The District doesn't have that many transactions on an annual basis but they still have quite a few assets. As the funds wind down the District has a declining asset situation. Last year they had assets of \$233 million – this year assets are \$222 million. The depreciation of the building also affects assets.

Mr. Graul asked about the cash amount being higher. Mr. Webb referred to page 15 that reports it being down slightly. Mr. Graul read in the report that cash was higher. Ms. Weycker said that page 11 reported revenue being more than budgeted. Mr. Webb said the statement of assets on page 15 shows a slight decrease in receivables. The capital assets went down because you depreciate the assets and this will be a continuing trend as the District pays off the Team and winds down the funds and the

assets get used. The District added \$6 million in assets last year, so this year it won't take a big hit. This is unusual because the District is designed to wind down.

Ms. Weycker found the management discussion and analysis was very interesting and detailed. Mr. Webb said the District actually writes that and they add it to the audit. Now they don't want the District to deal with the analysis and just the numbers. Mr. Webb said they used it as more of a communication device explaining the various aspects of the District's operations and different phases. The auditors decided they wanted it different but left it this year and will probably change it next year.

Mr. Graul asked about page 7 of the financial highlights – the third bullet point showing an increase of almost \$1 million. Mr. Webb said that is probably due to the accrued interest but that is the increase from the combined fund balance they referenced on page 20-21. It shows the \$997,000 increase in the fund balance on page 22 - an increase in the 8257 Fund by \$606,873 and an increase of \$36,000 in the maintenance fund because they didn't give it all to the Team last year. It dropped \$125,000 because they paid out more than they had in the fund which all makes up the \$997,000. Capital projects went up and the majority of that was the user fee. He explained a lot can be tied to the change in investment assets. You mark everything mark to market. The change in mark to market in 2020 was \$3.5 million which offsets a lot of the decrease. Based on interest rates, the District bought assets that are in escrow in 2015, 16, 17. They are like zero coupon bonds with a prescribed interest rate so; when interest rates crashed, the value of the investments went up. This \$3.5 million doesn't really help the District at all because they have to hold everything until maturity. If they try to buy new ones, they would buy them at a much lower rate. It is almost a \$400,000 increase in asset value and that's a big part of the change. If they didn't have the change in market value, the District would have a decrease in the fund balance. If you take the \$3.5 million out of the change in fund balance you'd end up with a decrease. If interest rates go the other way you would get a big hit on your fund balance but it doesn't matter because you will hold these to maturity. The District's obligation is to only take out of the escrows what is available in that year they matured.

Mr. Graul asked if it was more of a paper increase. Mr. Webb agreed and the change in market value in the capital projects fund shows the \$360,000 in user fee but also had investment income of \$134,000 and a change in value of \$15,000. There was a pretty large balance in the capital projects fund before it was paid out. Now, instead of \$15 million, the fund is down to \$3 million. Mr. Webb said part of this is converting all this to their format. It is an interesting calculation to determine the change in market value. That also includes accrued interest.

Chair Lamine asked if there were any other questions on the audit.

A MOTION WAS MADE BY SEN. COWLES AND SECONDED BY KRISTEN JOHNSON TO APPROVE THE AUDIT. A vote was taken. MOTION CARRIED UNANIMOUSLY.

12. DIRECTOR'S REPORT

Mr. Webb discussed the Special Revenue Fund. He mentioned it was pretty standard. The O&M Fund is at \$5.6 million but the Packers just requested \$5 million this month. The 8257 fund has escrow that is waiting to mature and moved into the O&M Fund.

Mr. Webb reported the District User Fee account is back up to \$3 million. He mentioned that the Board always wanted to hold \$2 million in the fund in case they ran into any issues they wanted to get taken care of. Mr. Lucius said that after this year maybe \$2 million isn't enough to keep in the fund. Mr. Webb agreed and added that the largest problem is all the accounts the District maintains are designated

for a specific purpose. The Board can't move anything into the Economic Development Fund from O&M Fund. The state legislature made sure there were no loose ends in any of the funding sources. The District doesn't have the ability to do anything with the money. Mr. Webb said the District's contribution to the Team from the 8257 Fund going forward is capped and it ends in 2031. Miller Park had to make an educated guess about how much should be in the fund in order to end their sales tax. This District knows they have enough and when the money is gone it's gone. The Packers may be looking for a change to the lease because in 2031 the \$6 million the District adds to the fund will be gone. Only ticket tax money will be coming to the Team and the District's obligation ends and so does the escrow for the Stadium District. At some point in time in 2031 there will be a reckoning and if nothing changes the Packers are going to have to make up for those funds.

Mr. Lucius asked if that should be discussed and especially because Mr. Webb and Mr. Kuehl will be leaving. Mr. Webb said the Team and the municipalities seem to want the District to continue. He thinks a lot of people (at least the City) anticipated the City would just take this over. Mr. Webb said there's value in that discussion, but it became clear when they were going through the process of determining the future of the Stadium District. The study performed was to determine that if it did continue how should it prepare for the future and ensure there was continuity and a transition plan. During that study it became clear to the Team and the outlying municipalities that they wanted the District to continue. They also didn't want the assets to flow to the City.

Sen. Cowles asked for clarification about the municipalities' stance. Mr. Webb said the surrounding municipalities made it clear they didn't want the District to dissolve. The statutory language allows for the closure of the District. Sen. Cowles asked if they discussed this behind the scenes. Mr. Webb said the Packers released a statement outlining the position of the Team, Brown County, and Ashwaubenon. Sen. Cowles asked if the District could discuss adding to the lease. Mr. Webb said it's a three-party lease and all would have to agree. Mr. Webb said when they were discussing transitioning one of the options was to let the District dissolve and the management of the lease becomes between the Packers and the City. The Packers' statement made it clear they weren't interested in that happening and wanted the District to continue. Mr. Webb said the District could have dissolved as soon as they had enough in the escrow in 2017 and paid off the sales tax assuming we fulfilled all of our contractual obligations; however, the will of the region was to keep it going. Sen. Cowles feels there's a will to go beyond 2033. Mr. Webb said the lease actually goes to 2043. The Packers have the ability to reimpose the lease on the same terms and conditions all the way to 2043. Chair Lamine it would be in five 2-year extensions. Sen. Cowles said that doesn't necessarily keep the Stadium District alive. Mrs. Weycker asked how it could continue if there's no revenue. Mr. Webb said they wouldn't have revenue until there's an event like the Notre Dame game. He feels the District in the future will have to be very judicious to not give money to Brown County to fund something they can tax on their own and that's what got the District into trouble. Ms. Johnson asked if they are talking about negotiating that into the lease. Mr. Webb agreed that could be part of the negotiations and how to fund the District in the future. Sen. Cowles asked what they mean by "they're talking". Mr. Webb said the Packers approached the District about renegotiating the lease. At the last meeting they reported they were in private discussions themselves to figure out their plan. They want to continue the lease because they have a huge investment and don't want to go forward until they have a lease that would be favorable to them. They will be losing \$6 million. Chair Lamine mentioned the District wanted to accelerate this while the existing staff is still in place. Sen. Cowles agreed that Mr. Webb and Mr. Kuehl have the institutional knowledge and they should be the ones to negotiate this. Mr. Webb said he's agreed to stay until at least June of 2022, but Mr. Kuehl is leaving at the end of the year. Sen. Cowles asked if it would go beyond that they would hopefully be consultants. Mr. Webb stated he and Mr. Kuehl have agreed to do that.

Mr. Lucius said they need to be proactive on this and would like to see the Board's plan on paper and get their thoughts organized so that when it becomes an issue they have answers. Mr. Webb said the Team doesn't want to deal with the politicians. Mr. Lucius agreed and cautioned that some group might think the District is just another level of bureaucracy and they need to present a good argument to the community and let people know what they would lose without the District. Mr. Webb said so far the City hasn't responded with an opinion. Chair Lamine asked about the County's position on this. Mr. Kuehl said he and Mr. Webb spoke to a group of elected local officials and Brown County. At the time, it appeared that most officials were interested in continuing with the way it is now. He hasn't heard the City objecting but has heard questions about it. Mr. Webb feels the previous mayor was more concerned about it.

Mr. Kuehl said the District issued a paper on dissolution of the Stadium District. They met with state and local officials. The report mentioned the lease issues but also if the District dissolves there are statutory questions to be resolved such as what would happen to the property of the District. The Lease says the City of Green Bay takes over as landlord and everything goes on as it did before. The statutes say the assets have to be distributed to the underlying political subdivisions according to their contributions whatever that means. Sen. Cowles says that needs to be stricken and it doesn't make sense. Mr. Webb said they were probably talking about the District's cash but it doesn't say cash it says property. Mr. Lucius thought that might mean a percentage. Mr. Kuehl said a concern was the other municipalities didn't want to be cut out after helping pay for it. Mr. Lucius asked if the staff could share that report with the Board. Mr. Webb will send it and hopes to have some discussions with the Team before the next meeting.

Chair Lamine asked if they may benefit from a FAQ-type document to refer to if the Board members are ever approached. Mr. Kuehl said the report contained a series of questions and scenarios. Mr. Webb said they could construct something for them. Ms. Weycker referred to page 6 in the audit. Mr. Webb said the District writes that for informational purposes. Mr. Kuehl feels the stuff in the letter is more for the reader who isn't a finance person and is more useful for putting things in context rather than just the numbers. Chair Lamine thinks it is very helpful. Mr. Webb said they can always keep preparing that document even if the auditors don't include it.

Mr. Kuehl reported on the capital improvements final and preliminary which were discussed at the kickoff meeting. Every year the District sends out forms to the Packers to fill out and submit. The District compiles a listing from those forms. The preliminary list includes the project name, estimated costs, completion date, and the source of funds. The final one includes the final cost and the completion date. Typically, the projects fall into new things, or replacement items, and then you get into technology and systems which are mainly upgrades to keep the stadium in great condition which is an obligation the Team has. Mr. Kuehl said the team has done a great job and you will notice it is all Team funds now. He feels the fact the Team is spending this type of money shows their commitment to keeping the building not only structurally sound but also usable in terms of the amenities and conveniences available for fans. He asked if the Board had any specific questions. He also mentioned some projects get deferred. It might pop up in the next year or just kind of disappear if it doesn't fit in with the plan at the time. This keeps the District informed of what is happening in the building and whether they are meeting their obligations to maintain it and improve it.

Chair Lamine mentioned he has trouble with wi-fi coverage during games. Mr. Webb said they've been updating it every year. Ms. Weycker said this past game is the first time she's been able to use hers. Mr. Kuehl feels it is the external infrastructure that might cause an issue as well.

Mr. Graul asked about the projects and because the Packers pay for these, do they seek reimbursement from the District. Mr. Webb said only what they send to the District, like the concessions and stormwater which is in the budget. Mr. Kuehl said they usually tell the District which ones they anticipate asking for reimbursement. Mr. Webb said they also know what is in the fund and that it's limited. Other than the exchange of tickets because of the difference between the original user fee and the new one is the only way the District gets money in that fund. Ms. Weycker asked if that is allowed in the legislation that will expire in 2031. Mr. Webb said that will not expire and it's part of the District User Fee Agreement with the Team. It continues regardless. She misunderstood that. Mr. Webb said the only thing that ends in 2031 is that the District only has an escrow of \$100,000 a year for District operations. Everything else is the same and nothing changes except for the \$100,000 of escrow which matures completely in January 2031. Sen. Cowles said at that point in time there would be no money to pay Sigma. Mr. Webb said there would be a missing \$100,000 annually plus the Economic Development Fund. The Notre Dame game could add \$1 million which is crucial to fund the District beyond 2031. Sen. Cowles asked if the Packers might agree to fund it in a different way. Mr. Webb said there are some funds being built up in the excess escrow that with a lease change and potential legislation change could come to the District too. It's not totally bleak but things have to work through a process. Chair Lamine added that the majority of the District's revenue source expires. Mr. Webb said yes, it is about \$100,000. Last year the District's net budget was \$167,000. The balance is drawn through the Economic and Development Fund as shown in the sources and uses of funds. Mr. Webb said it is complicated but there are funds available. They just have to work through the process of lease negotiations and legislative changes. Sen. Cowles asked when these discussions might take place. Mr. Webb said they have to get the Packers and the City together because nothing will get through legislation if the Team and City don't want it. This needs to involve all three parties.

Sen. Cowles asked about the surge tank. Mr. Webb said the Team had to move it further out to expand. Mr. Kuehl said it was located east of the players' parking lot and it was moved closer to Oneida Street to eventually expand the team space in the long-range plan. Mr. Webb said they want to eventually extend that further out into the parking lot so they had to move the tank next to the Tailgate Village.

Mr. Kuehl reported on the maintenance monitoring report. This is part of the maintenance assessment program. The Team gives a quarterly update and review of what's been happening in the building. They break out the demand work orders and the preventative work orders. There's always a big difference between the two. Preventative is much higher which shows their commitment to extend the life of the stadium and addressing issues before the equipment breaks down. The other thing he pointed out in the report was the last page showing an update from the Sigma list which is put together from the findings of the walkthrough. Overall, Mr. Kuehl mentioned that the report shows the Team is doing a great job maintaining the building. There were no questions.

Mr. Webb reported on the brick sales from June, July and August. The sales so far are around \$5,000 a month or \$41,000 to date which is right on budget. December usually brings in three times the amount which will probably bring the total sales to \$70,000. If the Team performs well sales go up and the holiday sales also push the numbers up. It's an easy way to give a gift to a Packers fan.

Mr. Webb said the next Board meeting will be December 13. The quarterly meetings are listed in the packet. The 2:00 start time seems to be working for everyone.

There were no other matters.

A MOTION WAS MADE BY MARK GRAUL AND SECONDED BY SEN. COWLES TO APPROVE THE DIRECTORS REPORT. Vote taken. MOTION CARRIED UNANIMOUSLY.

13. TITLETOWN DISTRICT PRESENTATION

Cancelled.

14. OTHER MATTERS AUTHORIZED BY LAW

Mr. Webb said this could be Mr. Kuehl's last meeting with the District Board. He stated he's worked with Mr. Kuehl for 36 years. Any success the District has had Mr. Kuehl played a huge part of it. He feels this District was run so well – it's been efficient, cost effective, everything was retired early, and he feels they've done everything right. There are very few things they look back on wishing they'd done differently. He gives Mr. Kuehl credit for a lot of the planning. They were always the most prepared to go to any meeting. The success wouldn't have been possible without him. He wished him the best going forward.

Mr. Kuehl thanked Mr. Webb for the kind words.

Mr. Graul left the meeting at approximately 3:09.

Chair Lamine agreed with Mr. Webb's comments and stated he had the pleasure of working with Mr. Kuehl at Brown County.

Mr. Kuehl said he would be available if needed.

Sen. Cowles also thanked Mr. Kuehl and agreed the District has done a great job. It's one thing to pass legislation but he knows Mr. Kuehl and Mr. Webb made it happen in a way that has been tremendous for this community and the Team.

There were no other matters.

15. MOTION TO ADJOURN

A MOTION WAS MADE BY KRISTEN JOHNSON AND SECONDED BY SEN. COWLES TO ADJOURN THE MEETING. A vote was taken. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at approximately 3:11 P.M.

Respectfully submitted,

Diane Roskom
Administrative Specialist