



# SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT

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## SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT BOARD OF DIRECTORS MEETING MINUTES March 13, 2018

SEWPBPD Conference Room  
One Brewers Way  
Milwaukee, WI 53214

**Board members present:** Don Smiley, *Chairman*; Daniel McKeithan, Jr., *Vice Chairman*; Mark Thomsen, *Secretary*; Alec Fraser; Mark McCune; Jim Ott (*via phone*); Tom Schreiber; Douglas Stansil; John Wenum

**Board members excused:** Karen Makoutz, *Treasurer*; Kris O'Meara; Keith Swartz

**Others present:** Michael Duckett, Kristi Kreklow, Mike Brockman, SEWPBPD Staff; Dave Anderson, PFM; Bob Hallas, MBBC; media and other interested parties.

### 1) Call to Order

Chairman Smiley called the meeting to order at 3:00 pm and stated for the record that a quorum of Board members was present to conduct business.

#### a) Review Open Meeting Notice

Chairman Smiley noted that the agenda was properly noticed pursuant to open meeting laws.

Chairman Smiley asked if there were any members of the general public that would like to address the Board. There were no comments.

#### b) Approval of Meeting Minutes – November 14, 2017 Meeting

**MOTION:** After discussion, it was moved by Mr. McKeithan and seconded by Mr. Schreiber to approve the minutes of the November 14, 2017 Board of Directors meeting as presented. The meeting minutes were approved by unanimous voice vote.

### 2) Report of the Chairman / Executive Director

#### a) Chairman Report

Chairman Smiley presented the Board of Director's current roster and committee assignments and thanked everyone for their service on the Board and Committees. He noted that the Racine County gubernatorial appointment remained vacant.

**b) Executive Director Report**

Mr. Duckett addressed the following items in the Executive Director Report.

- The 2018 meeting schedule for the Board of Directors and its Committees was presented. All meetings are subject to revision by the Board and/or Committee Chair.
- The 2017 moveable roof summary was presented. Mr. Duckett noted that 31 baseball games were played with the roof closed in 2017 and that the Brewers attracted over 2.5 million fans during the 2017 baseball season.
- A 2017 analysis by county was presented showing the approximate sales tax revenue from each county of the District.
- The 2017 sales tax collection by county report showed that the average resident of the District paid approximately \$12 towards the 0.1% Miller Park tax in 2017.
- A memo to Board members regarding guidelines related to the acceptance of gifts was presented.
- The contact information for the Milwaukee Brewers ticket representative was provided for Board members wishing to purchase game tickets.
- The dates for the “5-County Fridays” were provided. Residents of the five county District are able to purchase tickets at a 50% discount on reserved seats on these dates. During 2018, the five days are Friday evenings throughout the season.

**c) Draft Committee Meeting Minutes**

Chairman Smiley provided a copy of the draft meeting minutes from the most recent Finance Committee meeting.

**3) Report of Project Participation Committee**

**a) SEWPBPD Project Participation Report**

Mr. Thomsen provided the Board with the final 2017 targeted firm participation report, noting that the District had the goal of 10% targeted firm participation for professional service providers and 15% for improvement projects and that actual participation levels were 14.5% and 28%, respectively. Mr. Thomsen noted that there hasn't been significant activity in 2018 but the District anticipates it will meet or exceed its participation goals in 2018. A historical participation report was also presented, noting that a total of 20.7% participation has been achieved since the District began its post-construction program.

Mr. Thomsen informed the Board that the Miller Park Community Scholarship application is on the Brewers Community Foundation (BCF) website. The scholarship program is for women and minority students studying in a construction-related field. The deadline for this year's application is April 10<sup>th</sup>.

**4) Report of Operations Committee**

**a) 2017 Segregated Reserve Fund Report**

Chairman Smiley called upon Mr. McKeithan to present the report of the Operations Committee. Mr. McKeithan introduced the 2017 SRF report and noted that the projects were nearly complete and expected to be under budget.

**b) 2018 Segregated Reserve Fund Report**

Mr. McKeithan asked Mr. Brockman to provide an update on the 2018 SRF projects. Mr. Brockman noted that several 2018 projects are already complete and many others are underway. He discussed the status of several projects, including the boiler replacement, vertical transportation rehabilitation, retractable roof structural steel painting, and seating bowl caulk replacement. He noted that potential pavement rehabilitation projects would be reviewed after the spring thaw. The 2018 projects are expected to be completed at or below budget.

Mr. McKeithan presented the master plan, noting that the 2018 year-end fund balance was projected to be over \$14 million, which is approximately \$2.1 million more than the master plan requires. Discussion ensued on the master plan and potential SRF projects.

**c) Miller Park Quarterly Maintenance Report**

Mr. Brockman presented the most recent maintenance report provided by Johnson Controls and the MBBC. Mr. Brockman highlighted the solid safety record and the completion of preventative maintenance and demand maintenance work orders during the period. Discussion ensued on the maintenance report.

**d) Discretionary Team Projects Update**

Mr. Brockman provided a summary of the Discretionary Team Projects the Milwaukee Brewers Baseball Club (MBBC) are completing in the off-season. Mr. Brockman outlined the District's role, as described in the lease agreement, in providing oversight of these projects. He provided photos of construction progress on the Club Level corridor improvements, Loge Level office addition, Terrace Level playground improvements, Team Store renovations, and the I-94 marquee display board replacement. Discussion ensued on the projects.

**5) Report of Finance Committee****a) Report on Current Financial Status**

Mr. Stansil introduced the Report on Current Financial Status dated March 13, 2018 and called upon Ms. Kreklow to provide a financial update. Ms. Kreklow reviewed the Treasurer's Report, the final 2017 budget, and the 2018 budget. She noted that the District had approximately \$20.9 million in its unrestricted operating account, \$14.1 million in the restricted SRF account, and \$25.9 million in the restricted Asset-Liability Matching and Stabilization accounts and at the end of February. The District's 2017 operating budget expenses were under budget and it received more revenue than anticipated, increasing its operating fund balance a total of \$16 million, which is used for future debt payments and District obligations. The District's sales tax receipts and volatility were also reviewed, and it was noted that sales tax distributions for 2017 were approximately 3.1% more than 2016 receipts.

Ms. Kreklow provided a summary of the specialized Brewers license plate sales and Mr. Ott gave the Board of Directors an update on the legislation regarding the specialized license plate proceeds once the Miller Park bonds are paid off.

**b) District Investment Report**

Mr. Stansil presented the Associated investment performance report for the four District investment accounts. Associated is outperforming its respective benchmark, although rates on the District's fixed income portfolio continue to be very low.

**c) District Insurance Summary**

Mr. Stansil presented the 2018 District insurance summary. He noted that the District procured its 2018 general liability and directors and officers insurance coverage through the Wisconsin Municipal Mutual Insurance Company (WMMIC).

**d) Public Financial Management (PFM) Report on Sales Tax Sunset Date**

Mr. Stansil introduced the annual sales tax sunset date report and Mr. Dave Anderson from PFM. Mr. Anderson reviewed the 2018 sales tax sunset date report, highlighting the revenue and expenditure assumptions used. He also emphasized the use of recent economic trends, given the relatively short timeframe until the potential sunset date. Mr. Anderson noted that the sunset date will largely be determined by the earnings that are achieved on funds invested to pay future obligations. The report concluded, *"Assuming no significant shift from current economic conditions, we believe the District should be able to satisfy all of its current and future obligations, and therefore retire the 0.1% sales tax, sometime between late calendar year 2019 and early calendar year 2020."* Discussion ensued on the sales tax sunset date report.

**MOTION:** After discussion, it was moved by Mr. Stansil and seconded by Mr. Fraser to accept and place on file the 2018 Sales Tax Sunset Date Report as presented. The motion passed by unanimous voice vote.

## **6) Other Business**

### **a) Correspondence to be discussed**

Mr. Duckett provided the Board of Directors with correspondence sent regarding 2017 Senate Bill 443 that, if passed, would result in the violation of WI Stat. Sec. 229.76, which states:

*The state pledges to and agrees with the bondholders, and persons that enter into contracts with a district under this subchapter, that the state will not alter the rights and powers vested in a district by this subchapter, including the rights and powers under s.229.68(15), before the district has fully met and discharged the bonds, and any interest due on the bonds and has fully performed its contracts, unless adequate provision is made by law for the protection of the bond holders or those entering into contracts with a district.*

Mr. Duckett indicated that he did not expect the bill to advance in the Senate. Discussion ensued on the legislation.

### **b) Other communications**

Mr. Duckett indicated that tab 6b contains some of the pertinent communications the District has received or sent since the last Board meeting.

## **7) Convene into Closed Session to discuss personnel issues, contract negotiations, litigation or potential litigation matters, deliberate or negotiate the purchase of public properties, the investment of public funds, or conduct other specified public business, whenever competitive or bargaining reasons require a closed session**

There was no motion to convene into closed session.

## **8) Adjourn**

**Motion:** It was moved by Mr. McKeithan and seconded by Mr. Schreibel to adjourn the meeting. The motion passed by unanimous voice vote. The Board of Directors meeting was adjourned at 3:45 pm.