



## **MINUTES: Meeting of the Board of Directors**

**Thursday, November 16, 2023**

### **CALL TO ORDER**

The meeting was called to order at 3:35pm by Jim Luttjohann. The Catalina Island Tourism Authority (CITA) meeting was held on the second floor of the Catalina Conservancy Trailhead building (immediately following the annual marketing conference) with in-person attendance only.

### **DIRECTORS PRESENT (12)**

Bombard, Fornasiere, Stevenson, Villalobos, Allen, Bradley, Flathers, Foley, Hohenstein, Maistros, Vega, Wright

### **DIRECTORS ABSENT (6)**

Noll, Cassidy, Glass, Kielpinski, Paret, Thomas

### **STAFF PRESENT (4)**

Luttjohann, Miller, Warner, Johnson

### **GUESTS (7)**

Yolanda Say, Alex Dobi, Lisa Beach, David Montano, Grayce Upton, John Alkibay, Austin Henry

### **CONSENT ITEMS**

Chair Bombard asked for discussion and approval of Minutes from October 19, 2023

Motion for approval Hohenstein, second Bradley; passed unanimously

Approval of October 2023 Monthly Financials

Motion for approval Stevenson, second Fornasiere; passed unanimously

### **REPORT OF THE CHAIR**

Excused Absences for Board Members—Foley requested an excused absence from the October 2023 meeting due to an illness; Stevenson and Villalobos requested excused absences due to work conflicts on October 19, 2023; Flathers will be out of the country January 2024 and asked to be excused.

Motion to approve Foley's excused absence by Fornasiere, second Bradley; passed with abstention by Foley

Motion to approve Stevenson's excused absence by Hohenstein, second Villalobos; passed with abstention by Stevenson

Motion to approve Villalobos's excused absence by Hohenstein, second Fornasiere; passed with one no vote and abstention by Villalobos

Motion to approve Flather's absence as excused by Foley, second Allen; passed with abstention by Flathers

### **DISCUSSION AND POSSIBLE ACTION ITEMS**

Presentation of Audited Financials—Melissa Knudtson of McGinty, Knudtson & Associates, LLP was on screen to present the audit findings and financials through June 30, 2023. She reported on the independent audit performed over three days in September. She informed the group the intention of the audit is to look for inconsistencies, file taxes and that the City of Avalon (COA) seeks a clean opinion of the financials. She mentioned the assets, deferred income, long-term liability, and more stating the balance sheet is healthy. She explained an overspend of \$116K was okay because the previous year was underspent due to the TOT true-up being received after the 2021-22 fiscal year end. Luttjohann added the Board approved the expenses and the delay in spending. Knudtson said TOT makes up 77% of the total income with the balance coming from internal generation of funds. Luttjohann said the audited financials came one day

late for getting to COA but were submitted to COA with a 'draft' watermark. Knudtson can move forward and submit taxes once she learns of Board approval.

Motion to approve audited financials by Hohenstein, second Vega; roll-call vote passed with all ayes

Accept Bylaws Amendment—Luttjohann presented a tally of returned ballots; 62 yes, 1 no. He stated the requirement was 21 responses needed for the ballot to be valid.

Motion to approve amended bylaws by Fornasiere, second Stevenson; roll-call vote passed with all ayes

Accept Daniel Teng's Resignation & Nominating Committee Ballot—Bombard reminded the Board that Teng resigned at the October meeting. Stevenson reported the nominating committee met and presented four candidates: Lisa Beach, Grayce Upton, David Montano, and John Alkibay. The committee thought it best for the Board to decide by vote. Bombard asked all guests to step out of the room for discussion and voting. Hohenstein wanted clarification on John Alkibay and his island connection. It was explained that John is former Board Member Levent Alkibay's son and John is now an active partner with his father at Catalina Beverage. Bombard reminded Board Members to vote for one person and this position is a partial term filling Teng's seat, ending June 2026.

Numbered ballots were passed out then collected and tallied by Bombard and Johnson. Bombard stated John Alkibay is the winner.

Guests were allowed back into the meeting. Bombard announced John Alkibay as the new Board Member.

President's Report—Luttjohann stated the Care Fund will be revisited at the January meeting to afford more time for discussion. He mentioned his written report included in the packet has been shortened. He reported on the recent FCCA conference attended along with Maistros and Vega. They met with various cruise reps and Maistros felt the feedback was positive. Luttjohann requested diversity in shore excursions and if a company offered them prior to Covid, to please rethink and possibly reoffer. Say said that Carnival has not accepted a proposal for services she submitted. Luttjohann will contact Carnival to discuss policies on adding vendors and the terms of their agreement with Carnival to see why this is happening. Stevenson reported both tour companies offered semi-sub tours. Hohenstein asked Say to email Luttjohann so he can approach Carnival on the matter.

Hohenstein is concerned about restaurant closures for Christmas. Wright mentioned a list shared among restaurateurs. Warner has consistently requested restaurant hours and asked Wright if she would share the information so it can be included on LoveCatalina.com making it available to visitors, hotels, and other businesses. Villalobos addressed the movement a few years ago to be open year around, encouraging mid-week stays in the off-season. He reported that last weekend several of his customers flew back early as restaurants, the zipline and aerial course were closed. He said winter closures are common and he must be honest with his customers, recommending they not come mid-week at this time of year. Bombard would like restaurants to get together and work on their closures so visitors have options. Wright said they try to coordinate days but it is difficult when slow and restaurants are operating at a loss.

Events Report—Luttjohann passed out DeMyer's written report and stated the 50<sup>th</sup> Annual New Year's Eve Gala is shooting for 650 and as of yesterday had 546 paid attendees. Shop Catalina needs more retailers for the December 2 event. The debut of the sound system along Crescent Ave will coincide with Shop Catalina and Maistros said COA is awaiting delivery of holiday decorations which should arrive next week. Avalon Smart Homes was chosen by COA to install and maintain the sound system; Henry stated he's ready to begin.

Visitor and Member Services Report—Hohenstein presented a new membership application for 316 Clemente Vacation Rental and added that Vickie Pearce owns the townhome.

Approval of New Member 316 Clemente Vacation Rental

Motion for approval Allen, second Villalobos; passed unanimously

## **CORRESPONDENCE**

Luttjohann shared emails in the Board Packet due to the impact in the community of the deer issue. He stated the Visitor Center has received a few calls and Villalobos said Maverick Helicopters had five callers. Bombard spoke of the one protester at the Long Beach Catalina Express terminal with a bullhorn and passing out flyers. Luttjohann revealed that some media visits have been withheld because of the potential to look bad in the media.

## **BOARD MEMBER UPDATES**

Fornasiere reminded the Mixer tonight is at The Catalina Museum for Art & History with a taco bar, hosted drinks, and open galleries. She announced the First Friday event on December 1 will be sip and shop at the Museum store with everything offered at discount for one night only. December 16, is the free Christmas concert by the Loyola Marymount choir.

Bombard reported that Catalina Express is in transition to a new reservation system. The company has spent 100 hours working on the integration of commuters for the program. Catalina Express is very excited that a new website is included in the change. It is user friendly and should be ready by the end of January.

Villalobos stated that Maverick Helicopters is also working on a new reservation system which has taken over a year with no date to announce for it going live. The annual Toy Drive is sponsored again by Maverick. They will collect toys in Avalon and at their Queen Mary site in Long Beach. This event benefits island kids. Santa arrives at Pebbly Beach flying a helicopter and is driven through town by the Sheriffs. KTLA will cover the event as they have in the past.

## **ADJOURNMENT**

There being no further business to come before the Board, Chair Bombard adjourned the meeting at 4:37pm.