

Finger Lakes Visitors Connection, Ontario County, New York
Board of Directors Meeting, Wednesday, December 4, 2013 8:00 a.m.
Hampton Inn, Victor, NY

PRESENT

Mike Kauffman
Frank Riccio
Dick Maltman
Bob Bennett
Mike Roeder
David Hutchings
Lois Kozlowski
Mary Luckern
Dan Fuller
Russ Kenyon
Frank Riccio

EXCUSED

Carl Carlson
Jessica Bacher
Lisa Fitzgerald
Suzanne Farley
Alexa Gifford
David Linger
John Brahm

STAFF

Valerie Knoblauch, Via Skype
Sue Schmidt
AJ Shear

EX-OFFICIO

Alison Grems- Canandaigua Chamber

GUESTS

Russ Barone, Barone and Siciliano & Co.

WELCOME – Mike Roeder, Chairperson, called the meeting to order at 8:10 a.m. He welcomed Denise Lalley, Sales Manager for the Hampton Inn Victor. Denise noted that the hotel had opened in 1998 and had a major renovation in 2009. They have 129 rooms including 55 one bedroom suites. She shared that they had a diverse audience including those interested in shopping and business travelers, including a small group from China who were at the hotel for nearly four months.

Educational session: New technologies. Mike noted that Valerie was joining us via Skype, as we tried some new technologies, perhaps the meeting style of the future. Mike welcomed feedback at the end of the meeting to determine if this type of technology was acceptable to the board. AJ asked the board to fill out the survey about use of technology as we lead towards eliminating the Board Notebooks in the paper format – and attempt to go both greener and more efficient in terms of staff time. Some board members have already sent in their surveys. AJ will collect the rest at the end of the meeting.

OFFICIAL BUSINESS-

Lois Kozlowski letter – noted below!

Mary Luckern moved to **approve the minutes of the October 16, 2013 Board of Directors meeting and the October 16, 2013 Annual Meeting.** Dick Maltman seconded, and the motion was passed unanimously.

Valerie presented the financial reports, noting that we are over budget year-to-date drawing attention to the fact that our bill for the last travel guide (\$38,000) was paid in October. Since these financials are shown on a cash basis, it makes us appear that we were over budget when we actually had the funds committed in September, therefore, the last fiscal year. Given that Russ Barone will be speaking to the audit, which is an accrual basis, he has made adjustments accounting for the accounts payable as of September 30, 2013. Frank Riccio moved to **accept the October and November and YTD financial reports.** Mike Kauffman seconded, and the motion passed unanimously.

Audit Presentation and Review – Russ Barone – Barone, Siciliano and Co. was introduced. Valerie noted that Russ had been our auditor for several years prior to Fredericksen & Sirianni. She shared that with Russ' knowledge of our organization and operations that the audit went smoothly. This was beneficial since there were changes in personnel during this audit period. Valerie noted that Pat Charland of Sunflower Ink had helped fill in as well.

Valerie also reminded the board that since Russ last audit we had the new requirements associated with PAAA and the PARIS reporting system. We will proceed as we have in the past having Roberta Jordans from Harris Beach, LLC input the necessary items into the PAAA system to fulfill those requirements. Valerie wanted the board to know how much she appreciated Pat Charland's help and Holly Chaapel's organizational skills to make this audit successful.

Russ Barone had provided the financial statements to the Board via Valerie's email and a ZOHO posting on Wednesday, November 27.

Russ started by noting the standard audit letter and that the audit could not be comparative this year because he had not done the audit last year. He did use the Frederickson & Sirianni statements as presented. He reminded the board that the audit included three statements: Activities, Cash Flow, and Financial Position. The functional expenses included the Ontario County Program and the New York State Matching Funds Program and the Balance Sheet. Notable changes over last year were –paying off our mortgages, (therefore no long term debt) the replacement of the heating system in the house, the sale of our Ford Flex and purchase of our Town and Country, and changes in salary related to staff positions. Valerie commented that this was because of a full time person not being replaced for about six months.

Russ detailed the requirements of 501c3 organizations with regard to the various restricted accounts. He suggested that the board review the reserve fund policy to determine if the calculations are achievable and realistic. There are two formulas there – a target calculation and an annual contribution to reach that calculation. Valerie noted that after speaking with Russ that she would like the board to also review the funding policy to ensure compliance with our tax-exempt status. Mike will refer these to the audit committee/executive committee. Valerie will apprise everyone of the meeting date for this in the event they also care to join.

Russ then reviewed the corporation's tax forms, including the 990, 990T and CHAR500 forms. The 990T is a form filed to qualify the corporation for a health insurance credit. This is down from last year because the organization switched to a high deductible account.

Russ addressed last year's audit concern about proper sign-offs on payables. He indicated that his testing had proven that this was corrected. He also mentioned the heavy reliability on Ontario County for funding. If something changed, our whole operation would be jeopardized. Mary Luckern commented that certainly there is a strong relationship that we have earned – but politics do sometimes cause change, so we should always be attentive. Russ Kenyon credited Mary as our liaison for helping this stability too. Finally Russ Barone noted that the mortgage was paid off, but the release was not in place due to the line of credit. Russ Kenyon commented that was not a concern because if we needed a release we could cancel the line of credit.

Russ concluded by noting that this past year's budget was up 5.25% and that was "impressive". In 2007, he mentioned the budget at \$637,000, also impressive. Mike Roeder asked if there were any questions or suggestions regarding the audit. Hearing none, he asked for a motion for acceptance. **Bob Bennett moved the approval of the 2013 Audit and 990s as presented by Russ Barone. Frank Riccio seconded the motion.** All present voted yes.

OFFICIAL BUSINESS, Cont.

Mike Roeder drew attention to the last item of official business, a letter of resignation from Lois Kozlowski, one of our original members of the Board of Directors, and the Ontario County Tourism Board. Mike also mentioned that this would be Mary Luckern's last meeting as she will be leaving the Board of Supervisors at the end of December. Mike asked Valerie to comment – and she shared what an honor it was to work with both of these ladies – and that they had truly impacted our success that we heard today. She said that she had promised Lois that she would not make a fuss at the meeting, but also indicated that in the Spring we will have her and Mary back to honor them properly for their service. Mike then asked Lois about her reflections. Lois commented that she thought it was “charming” that she was there and they had hired Valerie when she was pregnant with Ryan and here we are where Valerie is Skyping-in because she is babysitting her first grandchild, Ryan and Bethany's son, Hudson, born November 5. Lois reflected about how her business had worked – and said that her daughter Kasha had asked, “why and how”, given the unique location and product. Lois' response was a reflection of her attitude and contributions to our board. She said, “it worked because we were thinking it will work!” Lois thanks the board members for their friendship and joked that she appreciated Russ Kenyon's continued work on getting her a pay increase.

Mary reminisced about joining the board 16 years ago and how much she had learned about our industry and the business of our industry. She has been impressed with the people on our board and looks forward to returning for some of our functions. She thanked everyone.

A round of appreciation applause was given for Mary and Lois.

CHAIRMAN'S REPORT.

Appointment of Nominating Committee. Mike accepted Lois' resignation on behalf of the board. He asked to reactivate the nominating committee. Mike Kauffman agreed to stay on the committee. Mike Roeder appointed Dick Maltman and Jessica Bacher to join the committee. The committee will also address the new ex-officio members.

Mike will also activate the audit committee before our January meeting to begin to review the policies that were discussed as part of the audit.

PRESIDENT'S REPORT

Valerie referred to the advance mailing that she had done outlining the personnel situation at the office. Interviews are being held on December 9th. David Hutchings and Bob Bennett have agreed to help with those. Related to our personnel shortage, Valerie thanked AJ and Sue and David for the extra work that they were covering given that we are down two people. She is appreciative of their unselfish commitments which also allowed her to travel to see her new grandson and engage in this important family time.

Valerie noted that David Lee is in Germany for his educational program. He has traveled with the Geneva Chamber of Commerce trip and is learning the ins and outs of international travel, given this is his first trip abroad.

Valerie thanked the board for allowing her to Skype in to this meeting and looks forward to the results of the survey to determine how we can work efficiently and effectively with the new technologies in the future.

MARKETING REPORTS AND UPDATES-

Mobile Distribution Center. AJ Shear reported on a project that the staff was working on related to the Strategic Plan and the Happiness Project. Two ideas have converged around the possibility of a mobile unit that would serve the dual purpose. It is basically a customized RV. Young Strategies had recommend this type of distribution system for high traffic areas and events. David Lee had researched other CVB's who had employed such an idea. He has several examples, perhaps the best being in Arlington, Va., where they are using an electric vehicle. AJ indicated that their distribution touches had gone up about 40% as compared to the storefront model. He shared the cost of their program was about \$45,000 - \$70,000 in start-up fees. Mike Kauffman asked about on-going operating costs. Valerie indicated that we definitely needed to review all of those as there would be annual fees for gas, insurance and staffing, plus more. David Hutchings noted that parking could be at a place like Sonnenberg. AJ indicated that we were just in the initial stages and appreciate the board's input for this unique idea. Not many organizations are doing this yet and we see it as another example of our potential cutting edge activities.

Meetings Sales. Sue shared that immediately following this meeting she would be presenting at the Ontario County Leaders group regarding the opportunities associated with bringing meetings to Ontario County. She will establish our organization as a go-to organization for the county leaders to consult in bringing meetings home. This was an invitation from Mary Kraus and John Garvey acknowledging our close relationship with the county and the ability to provide services and partner for further economic development.

CHAMBER REPORTS- Alison Grems spoke on behalf of the Canandaigua Chamber of Commerce noting that her board is active in seeking approval of the Site Plan for the lakeshore development. The timing is important as is reflected in an editorial co-authored by Alison and Valerie in the Daily Messenger on Sunday, November 30. The lakefront improvements have been a long time coming and the editorial speaks to the importance for the economic growth of the lakefront that this happen now. Alison mentioned that the chamber's annual dinner is scheduled for January 31 at Finger Lakes Community College. Lite-up Canandaigua is December 12th. Alison noted that Barbara Walters is moving to Georgia and she has been filling in since her retirement. She noted her service to the chamber and indicated that they would be hard shoes to fill, but is looking for recommendations from the business community for help.

OLD BUSINESS- Sue Schmidt distributed the meeting schedule for the Fiscal Year 2014, noting that the next gathering of the Board is on December 12th at 4:00 p.m. at Ravenwood Golf Club for the holiday party. Valerie indicated that there would be no meeting at the beginning of the holiday party, unless some business came up that we needed to attend to. She will advise the board. We hope to just enjoy the party at that point.

NEW BUSINESS – None.

ADJOURN – Mike Roeder indicated that he would like to have Mary and Lois make the motions to adjourn the meeting, again thanking them for their service. Lois Kozlowski made the motion to adjourn the meeting at 9:05 a.m. seconded by Mary Luckern.

Minutes submitted by Sue Schmidt.

Next Meeting:
January 18, 2014
Finger Lakes Visitors Connection
25 Gorham Street, Canandaigua, NY 14424

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