

**HAMILTON COUNTY TOURISM, INC. BOARD OF DIRECTORS**  
**37 E. Main Street, Carmel, Indiana**  
**Minutes of the Regular Meeting**  
**March 2, 2018**

**Attending:**

Emily Lovison, John Hughey, Norman Burns, Judi Johnson, Bob DuBois, Andrew Newport, Jeremy Geisendorff, Gary Miller, Jimia Smith, Scott Spillman, Todd Burton. Not present: Al Patterson and Jeffrey Brown.

**Also Attending:**

Brenda Myers, President/CEO; Karen Radcliff, Vice President/CSO; Betsy Ekelof, Director of Operations; Ashley Ledford, Director of Marketing & Promotions, Sarah Billman, Assistant Director of Visitor Experience; Laura Kelner, Director of Sales; Tina Rodgers, Assistant Director of Resources; Sarah Buckner, Destination Development Manager; and, Tim Sheidler, Accounting Manager.

**Executive Session**

**I. Welcome**

Emily Lovison welcomed the Board of Directors and opened the meeting in Executive Session at 8:33 a.m.

**II. Matters Related to Real Estate**

The Board of Directors heard a presentation regarding an office development opportunity in Carmel, Indiana. This replaces a previously considered property that became financially unattainable. This new possible 10,000-square-foot office space would be less expensive due to the development costs, and would not be on Rangeline Road. It would be, however, near community assets and the Monon Trail as well as provide for parking and storage on site. Questions about various aspects of the site were discussed by the board.

**III. Adjourn the Executive Session**

Norman Burns moved that the executive session be adjourned at 9:03 a.m. Judi Johnson seconded. Motion passed.

**Regular Session**

**I. Welcome**

Emily Lovison welcomed the Board of Directors back into regular session at 9:05 a.m.

Operations Director Betsy Ekelof introduced Tim Sheidler, new Accounting Manager, to the Board of Directors. As Tim might be working with specific board members on matters of a financial nature, she noted that she wanted them to know this key new member of the team.

**II. Review of the Minutes of the February 2018 Annual Meeting**

E. Lovison asked for approval of the February 2018 Annual Meeting minutes. Bob Dubois moved that the minutes be approved as presented. John Hughey seconded. Motion passed.

She then asked for approval of the February 2018 Regular Meeting minutes. Andrew Newport moved that the minutes be approved as presented. Jeremy Geisendorff seconded. Motion passed.

**III. New Board Member Nomination**

Brenda Myers introduced Scott Spillman, Executive Director of Hamilton Southeastern SPORTS and former sports manager for the Hamilton County Sports Authority. Prior to joining the HCSA, Scott worked for Little League.

Jimia Smith moved to accept Scott Spillman as a new member of the HCT Board of Directors. A. Newport seconded. Motion passed.

#### IV. Metrics

**A. Tax Collections** – Betsy Ekelof reported that for the January-March tax remittances, including additional 2017 taxes that have not been appropriated, the totals are:

- **\$1,013,043** with carryover from 2017
- **\$959,117** without carryover from 2017
- Remittances **up 11% from 2017**
- **Up 6% from 2018 appropriations**

She also noted a **number of hotels did not remit on time this past month**. Some are in the same ownership group (one hotel has remitted by the other hasn't) but we will assume timing is an issue and will check on this. Another hotel group that in arrears last month has caught up. And, she noted one hotel in particular is significantly in arrears and not meeting its proposed obligation to catch up from 2017 and if this continues, HCT, Inc. will approach the prosecutor's office on behalf of the Tourism Commission to send a letter of warning.

**B. Hotel Occupancy** – B. Myers reported that the first month of hotel occupancy was somewhat sluggish, with only 1.1 percent demand growth and 7% supply growth. Most of the struggles seem to be on the eastern side of the county, and the assumption is contracted rooms for big projects in 2017 will seem to drag down that corridor in 2018 for awhile. She presented a comparison of "all county" vs. the US31 and I-69 Corridors.

**C. Budget Review** – B. Ekelof reported that the checkbook balance as of February 28 was \$684,661.05, as payroll has been paid but not posted for the month. Only \$500,000 has been transferred from the Tourism Commission account for the year, as the February receipts did not equal the amount scheduled to be transferred.

Expenses are on target as to be expected for essentially two months in (without payroll entered for February), although Visitor Experience, Grants Disbursed and Nickel Plate Project higher than normal due to the activity calendars for these programs of work. Unemployment tax similarly "front-loaded." Utilities, Office, Rent shows 3 months of activity and not 1 or 2 (includes March payments).

Norman Burns moved to accept the metrics and financial reports as presented. A. Newport seconded. Motion passed.

**D. Retirement of Equipment** – B. Ekelof noted that after review, HCT is not required to retire fully depreciated equipment and will no longer be bringing those items to the board for review. HCT just needs to follow protocol for disposing of equipment which includes 1) sell at market value; 2) donate to a charitable non-profit; or, 3) recycle. However, she noted that a MacBook Pro, serial number C02LW3VFFD56 with a \$499.75 book value has sustained irreparable damage and needs to be written off. It was injured while in possession by an employee. A. Newport moved that the equipment presented be retired; Gary Miller seconded. Motion passed.

#### V. Old Business

**A. Office Resolution** – During the Executive Session a proposal to enter into a new non-binding but confidential Letter of Intent with the developer had been discussed. A price will be presented, and the executive committee would be authorized to enter into that non-binding LOI if deemed appropriate. Judi Johnson moved that the executive committee be authorized to sign a non-binding LOI. Bob DuBois seconded. Motion passed with one dissenting vote from John Hughey.

**B. Kincaid House** – B. Myers presented an idea Fishers has moved forward to the Nickel Plate Arts, Inc. Board of Directors and HCT, Inc. regarding the Kincaid House. Assuming all legal issues can be addressed, she recommended that the idea be approved by way of rescinding the option to purchase the land for the amount of money Nickel Plate Arts, Inc. had invested in the project (approximately \$1,200, paid in early January 2018). After discussion, N. Burns moved that the HCT Board rescind its desire to purchase the house as long as Nickel Plate Arts moves forward with the proposal offered by Fishers and the vision presented. John Hughey seconded. Motion passed.

**C. Nickel Plate Heritage Railroad Updates** – B. Myers updated the Board on the status of this major project.

She noted the railroad had held a successful community engagement meeting Tuesday in Atlanta, with 45 attending an information session. She said a financing package is from the National Bank of Indianapolis for the track restoration loan. The new opening set for mid-summer due to delay in equipment restoration (window replacement.) A 2018 Business Plan available for those who wish to see it.

**D. White River Regional Master Plan Update** – B. Myers reported that the contract has yet to be signed but a local organizing committee has met which includes 15 people who will meet 4 more times in 2018 and manage the big

thinking of the project. It includes both Norman Burns from Conner Prairie and Al Patterson from Hamilton County Parks, both on the HCT, Inc. Board of Directors.

**E. Financial Reserves Policy** – B. Ekelof presented the final proposed version of the Financial Reserves Policy. A summary of key items, on which Jeffrey Brown and B. Ekelof drafted, includes:

- Two categories of reserves are identified: 1) Repair/Replacement and 2) Operating Reserves
- Goal is to minimum of three and maximum of six months operating reserves, plus minimum of 100% or 5% of assets in a repair/replacement account and fluctuates as budget/assets grow
- Set aside 3-5% of annual budget to grow reserves until goals reached
- Held in three accounts: 1) general checking for cash flow 2) separate set-aside reserve account which could include a short-term investment account; and, 3) separate set-aside repair/replacement account
- Use of reserves requires staff leadership proposal and board approval
- Operating reserves need to be replenished as quickly as possible if used
- Annual independent risk assessment becomes part of board budgeting process
- Balance of related policies to be included in overall financial policy to be reviewed in May (e.g. investment policies, etc.)

After discussion about the policy, it was agreed to eliminate "to be prepared by an accredited preparer" on page two, common, item four, line four. A. Newport moved that the policy be adopted as presented. Jeremy Geisendorff seconded. Motion passed.

## **VI. New Business**

**A. 2018 Sports Grants** – Laura Kelner presented a list of 2018 sports grants with the following guidelines:

In-county, on calendar, has national sanctioning, agreement/contract signed with recognition of gift included

- Must meet ROI requirements for impact, or provide significant prestige to county
- Bonus points provided for off-season occupancy
- First-time events considered with proof of quality/planning
- Multiple-day events also get bonus
- Additional details also required

A list of 13 grants totaling \$17,000 was distributed.

J. Geisendorff moved that the sports grants be approved as presented; Judi Johnson seconded. Scott Spillman, recused himself from voting due to a conflict. Motion passed.

**B. Recommendation to Raise Depreciation Amount to \$1000** – HCT, Inc. has had a \$500 depreciation threshold for the past decade, and given inflation, etc. it has been recommended that it be raised to \$1000. All other items will be booked in for the same year as money spent. The Board asked what the federal regulations requirements were for the threshold. B. Ekelof said she would explore this and bring the information back to the board for review.

**C. First Reading, By-Laws Changes** – B. Myers noted the changes in the HCT, Inc. By-Laws – mostly name changes – that had been previously emailed to the Board of Directors. While the by-laws do not require two readings, she thought it prudent to present at one meeting and approve at the next. The by-laws will be reviewed again at the May meeting. A minor edit included changing "chairman" to "chairperson." B. Myers noted she would do this and asked for other suggested changes prior to the May meeting.

**D. Proposal Policy Change: Hiring Practices** – Tina Rodgers presented a new hiring policy that disallows the hiring of employees' families and others with a conflict. It was suggested that the policy go further to define relative as "immediate family, anyone who votes on the budget or appropriations for HCT, Inc." Those edits will be made and the policy brought back at the May meeting.

**E. Area Updates Handout** – B. Myers noted in the Board packets was a handout of area updates, telling about the exciting work of the organization. She encouraged the Board to take time to review it and ask questions.

**VIII.** A. Newport moved to adjourn the, B. DuBois seconded. Meeting adjourned at 10:13 a.m.