

MINUTES

MCCVB Board of Directors and MCTID Oversight Committee – Budget Workshop
Thursday April 28, 2022 | 3:00PM – 5:00PM by Zoom Video Conference

Board of Directors Present: Mary Adams, Rick Aldinger, Kevin Ellis [MCTIDOC,] Kirk Gafill, Mimi Hahn, Donna Langley [MCTIDOC,] Stefan Lorch [MCTIDOC,] Tim McGregor [MCTIDOC,] John Narigi, Amrish Patel, Bina Patel, Ed Smith, Chris Sommers [MCTIDOC,] John Turner [MCTIDOC,] and Erik Uppman

Board of Directors Absent: Kimbley Craig, Sean Damery [MCTIDOC,] and Teri Owens [MCTIDOC]

Board Advisors Present: Jacquie Atchinson, Carol Chorbajian, Norm Groot, Mike LaBarre, Mike La Pier, David Lurie, Paula Joy MacNab, Matt Mogensen, Kim Stemler, Hans Uslar, Anna Velazquez

MCTID Oversight Committee Members Present: Janine Chicourrat, Kevin Ellis [BOD,] Donna Langley [BOD,] Stefan Lorch [BOD,] Tim McGregor, Chris Sommers [BOD,] and John Turner [BOD]

MCTID Oversight Committee Members Absent: Harvey Dadwal, Sean Damery, and Teri Owens

MCTID Oversight Committee Advisors Present: Mike Zimmerman

Staff Present: Mary Kelley Crnich, Edward Isabella, Jennifer Johnson, Jeniffer Kocher, Paul Martin, Rob O’Keefe, Teresa Savage, and Lindsey Stevens

Guests present: Susan Bruinzeel, Colleen Courtney, Christie Ivins Cromeenes (on behalf of Kimbley Craig) and Amy Herzog

CALL TO ORDER – Chris Sommers called the meeting to order at 3:02pm.

PUBLIC COMMENT – None

STAFF ANNOUNCEMENTS – Staff shared that there are two open positions in the recruitment process; Client Services Coordinator and Marketing Coordinator. Staff announced that Monterey County Convention and Visitors Bureau (MCCVB) has been nominated for a prestigious Stella Award from Northstar Meetings Group, in the category of “Best CVB/DMO in the Far West.”

Donna Langley announced Pebble Beach Resort’s recent partnership with United States Golf Association (USGA). Donna stated through this partnership Pebble Beach will now be hosting Opens, such as the First Women’s Open in 2023 and World and Major opens every five years. Donna stated this is positive for the hospitality industry, the volunteers, the guests, and the community. Chris Sommers expressed congratulations to Donna and Pebble Beach Resorts on behalf of the Board.

CONSENT AGENDA

- A. Minutes of the February 24, 2022 Board of Directors Regular Meeting
- B. Monthly Reports
- C. Board and Committee Meeting Schedule revision

There was a motion to approve the Consent Agenda as presented. M/S Kirk Gafill/Rick Aldinger. The motion carried unanimously.

REGULAR AGENDA

New Business

- A. March 2022 Financial Statements review

Ed Isabella and Paul Martin reviewed the financial statements' revenue and expense variances to budget, status of PPP loan, and cash flow. Paul and Rob provided an Outlook review of changes in programming budget including the delay of ARPA revenues and a forecast of year end net retained value. *There was a motion to approve the March Financial Statements, including the Outlook, as presented. M/S Kevin Ellis/Bina Patel. The motion carried unanimously.*

B. FY2022-23 Budget Workshop

Rob O' Keefe noted that the Strategic Plan will kick off in the next fiscal year and to save the date for MCCVB's Annual Meeting on September 7th, 2022. He added that the FY2022-23 budget has been developed in collaboration with the Finance, Sales, Marketing, and MCTID Oversight Committees, MCHA, Amy Herzog, the Chambers, and other stakeholders.

Rob reviewed the organization's Vision, Mission, Values and Strategic Objectives that provide the framework for the Business Plan and Budget.

Noting connectivity to one of MCCVB's Strategic Objectives, Mayor Mike LaBarre thanked Rob and staff for the great collaborations with King City this year.

Paul Martin provided a Hospitality Demand Update; he noted that Leisure led the recovery through June of 2021 and that Group picked up in July. He stated that Group remains susceptible to COVID-surge induced hesitancies and they expect group to continue to recover through 2023. He reviewed the Revenue Assumptions including forecasted Transient Occupancy Tax and Tourism Improvement District (TID) assessment.

Rob reviewed the recent Board of Supervisors (BOS) decision to cap next year's DSA investment as part of the solution to address needed improvements to WeatherTech Raceway. He stated the track is an essential element to our industry. He added the recent change will impact budget and staff will provide a revision in May. There was discussion regarding the cost, funding sources and timing for the track improvements.

Paul highlighted the Group Business Development Revenue from Tradeshow Co-ops, Marketing revenue from Booking.com commissions, and miscellaneous streams of revenue including credit card rewards and PPP loan forgiveness. He concluded with the review of the Non-ARPA Revenue by source breakout.

Jennifer Johnson reviewed the organizations approach to attracting and retaining top talent and the recommendations included in the draft budget. She noted that (MCCVB) is leading a Compensation & Benefits Study Co-op with 11 other California Destination Marketing Organizations (DMO) to address the concern of inflation strategically using current data.

Lindsey Stevens reviewed the trends and considerations for Marketing Communications. She highlighted both positive and negative considerations for both Domestic Leisure and International. She reviewed the Strategic Priorities. Lindsey provided a matrix of the plan for Marketing Programs allocations and provided a Year End Outlook and highlighted key metrics and the goal of Intent to Visit, tied to the Marketing Impact Study from July of 2021. She noted that they are on track to hit their metrics for this year.

Teresa Savage presented considerations and trends for Group Business Development. She noted the focus on trends in Meetings/Conferences, Tour & Travel, and Client Services. She shared that in Tour and Travel trends, the majority of countries are relaxing COVID restrictions and that international travel is starting to recover. She noted in Client Services considerations that sustainability remains at the top of mind for meeting planners. Teresa noted the Strategic Priorities of Calibrate the Compass (tighten focus on business mix for the destination,) Leverage Partnerships, and Expand Reach and Resources. Teresa provided

a Year End Outlook and noted being over 2019 levels: much higher than pre-COVID levels. She provided a goal update: Lead Generation at 710 and Conversion at 18%.

Jennifer Kocher reviewed key strategies and tactics for the Community Relations department. She shared the Strategic Priorities of Expand & Intensify Community Relationships, Transform Membership Program, and Extend the Stay. She highlighted the new members we have been able to obtain under our current membership promotion, which provides a more inclusive representation of the region. She noted it enables Marketing and Business Development to elevate the destination through the ability to promote nearly 1,000 destination assets.

Jennifer Johnson provided the key strategies and tactics for the General Administration. She highlighted the administrative support associated with the Strategic Planning Process and MCTID Renewal Process.

C. FY2021-22 Business Plan Update

Lindsey provided an update on the Marketing Communications department. Lindsey provides a plan progress update, noting what projects remain from now until the end of the fiscal year. Lindsey provided updates on Key Performance Indicators (KPI) for year-to-date for both paid and owned and earned. She noted the See Monterey app campaign and highlighted owned, paid, and outdoor, and member promotion supporting the app.

Teresa provided an update on Group Business Development; stating they are on target with an increase in new business leads from pre-COVID numbers. She highlighted work with North Star Meetings Group and Visit California collaboration, noting an ad done by Visit California. She highlighted the continuation of "All-In" group promotion. She stated 5,000 room nights generating \$3.8 million in revenue: noting the ROI midweek Sunday through Thursday timeframe.

Jennifer provided a snapshot of year to date for quarter two. She stated the Member Engagement programs have allowed them to re-engagement with people from 2019 and 2020. She noted visitor engagements, such as the Virtual Visitor Center reached over 4,000 visitors and noted approximately 700 in mobile app downloads. She noted 30,000-page viewers through the desktop application and highlighted 909 Inspiration Table Engagements.

Jennifer provided a Strategic Planning Process update; stating there were 300 touch points: the survey responses, individual interviews, and input forum sessions. Jennifer highlighted the next steps of the Situation Assessment Report to be completed in mid-May. She noted that there is a Strategic Planning Process, Advisory Check-in with Coraggio during the May 26th Board Meeting. She noted that the Core Planning Team Sessions will occur in May and June, and the publication of the final plan is planned in September.

Public comment none.

BOARD MEMBER ANNOUNCEMENTS

Mimi Hahn announced new exhibit at Monterey Bay Aquarium was well received.

GOOD OF THE ORDER – None.

NEXT MEETING OF THE BOARD: Thursday May 26, 2022 at 3:00pm

Chris Sommers adjourned the meeting at 4:57pm

Approval of the Minutes

I attest that the MCCVB Board of Directors approved these meeting minutes at a regularly scheduled Board of Directors meeting on May 26, 2022.

Signed Bina Patel, Board Secretary

Date