



MINUTES FOR THE BOARD OF DIRECTORS MEETING

THURSDAY, February 24, 2021

10:00 a.m. – 11:00 a.m.

The Journey Museum & Learning Center

PRESENT

VOTING MEMBERS

D. Tribby
D. Rodriguez
G. Wathen
J. Scheitler
K. Cook
K. Buntrock
L. Montague
M. Pawelski
P. Dame
T. Johnson
W. Lampert

NON-VOTING LIASONS

D. Drew

EX-OFFICIO

R. Jeffries
J. Biegler
M. Thomson
C. Baltzer

ABSENT

VOTING MEMBERS

C. Johnson
M. Derby
R. Zebroski
S. Landguth
S. Dowling

NON-VOTING LIASONS

EX-OFFICIO

Mayor Allender
J. Brockelsby

VRC STAFF –Stacie Granum, Carol Bancroft, Ally Formanek, Dani Benne, Tyson Steiger, Laurie Sutterer

Call to Order

K. Buntrock called the meeting to order at 10:01 a.m. at the Journey Museum & Learning Center.

Approval of Agenda

T. Johnson made a motion to approve the agenda as submitted. G. Wathen seconded motion. Motion carried.

Approval of Minutes

W. Lampert made a motion to approve the December 2021 and January 2022 meeting minutes, as well as January 2022 email minutes. J. Scheitler seconded motion. Motion carried.

Ellsworth Air Show

Lynn Kendall, Ellsworth Authority, provided an update on the upcoming Air Show being held May 14-15. Anticipated attendance is 60,000 over the course of the 2-day event. The last air show was held in 2015. The Blue Angels will be headlining the event. Ellsworthairshow.com launches today.

Finance Report

C. Bancroft shared the Cash Memo indicating the cash position as of January 31, 2022, was \$411,495. The VRC Checking Account balance was \$365,664, the SBA/COVID Checking Account balance was \$5,009, the VRC Events

Checking Account balance was \$40,822 of which \$22,420 was VRC funds and \$18,402 was Officials funds. Board Restricted Reserves remain constant at \$200,000. Board Unrestricted Reserves total \$2,391,761 with \$500,000 allocated to FY22 Budget and \$600,000 to incremental expenses as approved by the VRC Finance Committee. Bancroft reminded the Board of VRC's strategy of keeping approximately 50% of annual revenue in Unrestricted Reserves to continue sales and marketing efforts in the case of another black swan event.

Bancroft reported on the Profit and Loss Report as of the end of December 2021, VRC income was over budget at 163% (\$1,328,452), which includes PPP funding. VRC expenses were over budget at 130% (\$618,988) by design from the FY21 Wish List to draw down funds from the Board Unrestricted Reserves. The \$618,988 is comprised of expenditures made through the incremental operating budget.

Bancroft reported on the Profit and Loss Report as of the end of January 2022, VRC income was over budget at 120% (\$33,169). VRC expenses were under budget at 92% (-\$26,027). Bancroft shared incurred costs associated with the President/CEO search thus far in 2022 total \$16,195. The cost of the President/CEO's salary and benefits are not included as the position is still vacant. Agency marketing is over budget by 39% (\$46,070) due to the timing of incoming invoices. In-house sales and marketing efforts are under budget by \$63,625 also due to the timing of incoming invoices.

Bancroft shared the Dashboard, which compares the year 2021 to January-February 2020 (pre-pandemic) and March-December 2019. BBB income saw an increase of 21.46% (\$238,316 through the month of December. The BID income also saw an increase of 12.70% (\$197,514) through the month of December. Bancroft explained the drivers behind the increase in Occupancy, ADR, and Demand were the hosting of large meetings/conventions & sporting events such as the LNI Basketball Tournament, Lakota Nation Educational Conference, and SD Cattleman's Association.

A. Formanek shared the Partnership Program saw \$30,153 in net revenue in 2021. In January 2022, total revenue totaled \$1,000. Visit Rapid City currently has 28 partners including lodging properties, corporate and ala carte partners.

K. Cook made a motion to approve the Finance Report as submitted. L. Montague seconded motion. Motion carried.

Board Business

Winner Partners Search Update

K. Buntrock reported the Search Committee is still gathering stakeholder feedback from the community. The Board can expect a decision within the next few weeks.

President's Report

Legislation Update

S. Granum provided an update on bills before the House and Senate including the addition of the Custer State Park campground, new Rapid City shooting range, Mickelson Trail connection to Mt. Rushmore, and electric vehicle charging infrastructure. Granum reported the Custer State Park campground bill has officially died and will not move forward. She shared the funding for electric vehicle charging infrastructure will be allocated by the State's Department of Transportation.

Sports Authority

Granum shared meetings have taken place involving Dave Dolan and Domico Rodriguez regarding the creation of a sports authority organization for Rapid City. Future vision funding may be applied for.

Admin and SMarketing Presentations

A. Formanek provided an Admin recap of 2021 as well as strategic plan for 2022. Formanek provided an overview of the roles within the Admin department including CFO/COO and Director of Operations. In 2021, the team saw growth with the addition of 3 employees, 2 promotions, and the expansion of roles. Formanek reported through November 2021, BBB and BID revenue saw increases over the record year 2019 of 21.58% and 12.36% respectively. VRC's partnership program generated over \$30,000 in additional revenue and \$363,000 was received in PPP loans, which were converted to grants. In-house operations shifted with the creation and continuation of policies regarding business travel bookings, the Crisis Management Team, and talent development program. Objectives and measurable goals for 2022 include consistent documentation of procedures across all roles, implementation of merchandise sales, onboarding of the new President/CEO, office space lease negotiations, regional compensation and benefits survey, and employee retention.

D. Benne provided an overview of the roles within the Marketing department including Director of Marketing, Marketing Manager, Social Media & Content Manager, and Marketing Specialist. 2021's leisure campaign saw over 44 million impressions with a CPE (cost per engagement) of \$0.06. 2021 public relations efforts resulted in mentions in publications such as USA Today and PopSugar. Benne reported on statistics in relating to social media, email marketing, the VisitRapidCity.com website. She shared VRC's leisure and groups campaigns were launched in January vs March 2022 to expand visitation to off-season months. Visitors will be targeted nationally, as well as when they arrive in the Black Hills. Amazing Rush Season 6 will take place in November 2022. Benne shared upcoming partnerships, content projects, and initiatives.

T. Steiger provided an overview of the roles within the Sales Department including Director of Sales, Sales Manager, Destination Manager, and Destination Specialist. Steiger reported over \$14 million was generated in economic impact for Rapid City in 2021 through hosted meetings and conventions, while sports and events generated slightly under \$5 million. He shared the economic impact figure relating to sports and events did not include Rapid City's annual events, such as Black Hills Powwow. 104 groups were serviced in 2021, which was higher than 2019. Steiger shared 2022 goals and initiatives for the Sales team including booked business, tradeshow, site visits, and education opportunities. Booked group business for 2022 includes Solution Mining Research Institute, National Speleological Society, Commercial Vehicle Safety Alliance, etc.

City of Rapid City Report

D. Drew reported on projects receiving visions funds including Sioux Park tennis courts, Dinosaur Park, and Lakota Cultural Center. J. Biegler shared timelines behind the Sioux Park and Dinosaur Park projects. Work will begin at both Sioux Park and Dinosaur Park in fall 2022. Drew shared her City Council term will expire in July and she will not seek reelection.

Ex-Officio Reports

Rapid City Parks and Recreation

Biegler reported on activities taking place in June as a commemoration event for the 1972 Rapid City flood. A press conference announcing the event will be held next Monday.

Central States Fair/BHSS

R. Jeffries reported the Black Hills Stock Show saw great attendance and interest in the new Summit Arena. He shared the Kjerstad Event Center is hosting multiple motorcycle racing events this winter.

The Monument

C. Baltzer reported the Marshall's indoor football league games begin in early March. The team will play 6 games in the new Summit Arena. He shared the biggest issue in regard to the Black Hills Stock Show is transportation/parking. A discussion began on how transportation and parking can be improved for the event.

Black Hills & Badlands Tourism Association

M. Thomson shared her team is preparing and planning for Travel Rally Day and the Customer Service Seminar during National Travel and Tourism Week in May. She reported travel trade business is returning to Rapid City at a rapid pace for 2022.

Other Business

N/A

Adjournment

There being no further business to come before the Board, W. Lampert moved to adjourn at 11:14 a.m. G. Wathen seconded the motion. Motion carried.

Respectfully submitted,
Ally Formanek, Director of Operations
Visit Rapid City