



AGENDA

Visit SLO CAL Executive Committee

Visit SLO CAL Executive Committee Agenda

Monday, March 9, 2020

11:30am-1:30pm

Visit SLO CAL Conference Room

1334 Marsh Street, San Luis Obispo, CA 93401

1. CALL TO ORDER
2. PUBLIC COMMENT (On Non-Agenda Items)

ANNOUNCEMENTS	C. Davison
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CONSENT AGENDA – motion required	C. Davison
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3. Approval of February 13, 2020 Executive Committee Meeting Minutes
4. Approval of January Visit SLO CAL Financials
5. Endorsement of Advocacy for Countywide Regional Compact (Housing/Infrastructure)
Staff will request Committee approval of the February 13, 2020 Executive Committee Meeting Minutes and the January Visit SLO CAL Financials, and the Committee's approval for staff to advocate for the Countywide Regional Compact for housing and infrastructure.

CEO REPORT	C. Davison
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6. CEO Report (25 min)
Staff will provide an update on current projects, reporting and areas of focus for the months ahead.

BUSINESS ITEMS	C. Davison
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7. Board Member Guidelines (15 min) – motion required
Staff will review updated Board Member Guidelines and request a recommendation for Board approval, and will discuss the launch of the application process for open seats.
8. Experience SLO CAL 2050 Prioritization (30 min) – motion required
Staff will provide an update on the feedback received from the regional Community Leader Workshops, and will request a recommendation for Board approval on the prioritization of Experience SLO CAL 2050 recommendations.
9. FY2020/21 Budget Discussion (25 min)
Staff will outline key items and initiatives that staff is considering in preparation for the development of the FY2020/21 Budget and request Committee feedback.
10. Marketing Update (10 min)
Staff will provide an update on key marketing initiatives.
11. CEO Contract Update (15 min) – motion required
The Committee will review the comparatives requested by the Board of Directors, and the Chair will request a motion on the finalization of the CEO contract terms.

ADJOURN.

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the Executive Committee to discuss or take action on issues not on the agenda, except that members of the Committee may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the Committee to follow-up on such items and/or place them on the next Committee agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Executive Committee.

ADA Notice: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Brendan Pringle at (805) 541-8000 at least 48 hours prior to the meeting.



MINUTES

Visit SLO CAL Executive Committee

Visit SLO CAL Executive Committee Meeting Minutes

Thursday, February 13, 2020

3:00pm

Visit SLO CAL Conference Room
1334 Marsh Street, San Luis Obispo, CA 93401

1. CALL TO ORDER: Clint Pearce

PRESENT: Mark Eads, Aaron Graves, Jay Jamison, Clint Pearce

ABSENT: Hemant Patel

STAFF PRESENT: Chuck Davison, Brendan Pringle

Call to Order at 3:05pm.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

None.

CONSENT AGENDA

3. Approval of January 13, 2020 Executive Committee Meeting Minutes

Public Comment – None.

Committee Discussion.

ACTION: Moved by Jamison/Eads to approve the Consent Agenda as presented.

Motion carried: 3:0:1
Graves abstained.

CEO REPORT

4. CEO Report

Davison reviewed U.S. Travel's Travel Trends Index for December 2019 vs. December 2018. He noted that Visit SLO CAL has returned its TMD contract with the County for countersignature, and noted the major changes from the previous agreement. He provided the initial metrics from the SLO CAL Open at Pismo Beach. He recapped Visit California's update on the impact and expected rebound in China visitation from the coronavirus. Visit California is prepared to re-engage quickly after the coronavirus breaks, as they believe there will be pent-up demand for travel. He noted that in partnership with Jack

& Jill Late Stage Cancer Foundation, Visit SLO CAL hosted Tiffani Kintchen, a patient with late stage colon cancer, and her family, for a “WOW” Experience in SLO CAL, complete with an action-packed itinerary. He thanked Martin Resorts, who donated accommodations, and other partners who donated or provided discounts on meals and activities. He recapped takeaways from Visit California’s Committee Meetings and Outlook Forum, February 9-11, 2020, and noted that Visit SLO CAL was one of only eight participants invited to a special CEO Roundtable meeting with Oscar Munoz, CEO of United Airlines, to discuss air service. He added that this was a great opportunity in advance of Visit SLO CAL’s March 12, 2020 meeting at United’s HQ. Visit SLO CAL had one-to-one meetings with international representatives as the organization looks to expand international representation in advance of IPW in June, and expects to have additional conversations and proposals in the coming weeks which will come to the BOD in May for budget approval. Davison also reported out on local meetings and outlined his upcoming travel schedule.

Public Comment – None.

Committee Discussion.

BUSINESS ITEMS

5. Bylaws Update & Articles of Incorporation Amendment

The Bylaws were last updated in 2015, and with the revisions to the Management District Plan, there are a number of required changes. Visit SLO CAL sent proposed Bylaws updates to the BOD on January 28, 2020. The draft updated Bylaws were also included in the agenda packet for the meeting. Davison provided an overview and explanation of proposed revisions. Davison also noted that Visit SLO CAL would like to submit an amendment to its Articles of Incorporation regarding the organization’s specific purpose, in order to reflect the changes made to the Bylaws and to reflect the organization’s mission statement. The Articles would be amended to read: “The specific purpose of this corporation is to promote tourism, destination management, economic development and common business interests in San Luis Obispo County.” The draft amendment was included in the agenda packet as well.

Public Comment – None.

Committee Discussion.

ACTION: Moved by Eads/Graves to recommend that the Board approve Visit SLO CAL’s updated Bylaws and approve the proposed Amendment to the Articles of Incorporation.

Motion carried: 4:0

6. Coraggio Group Engagement Update

On February 6-7, 2020, Coraggio Group facilitated a series of listening sessions, where investors, stakeholders and partners were asked to identify and provide feedback on: Visit SLO CAL’s greatest strengths; factors that hold Visit SLO CAL back from accomplishing its mission; strategic opportunities for Visit SLO CAL to pursue; existing roles, programs or activities they would like to see more robust; new roles, programs or activities they hope Visit SLO CAL will take on; and roles, programs or activities they think Visit SLO CAL should stop. Each session concluded with a discussion on early returns from the Strategic Direction 2023 Survey. Davison highlighted the common themes and described the attendee composition of each session. He also outlined the calendar for the remaining components of the three-phase engagement.

Public Comment – None.

Committee Discussion.

7. Experience SLO CAL 2050 Implementation & Next Steps

Resonance is facilitating four regional Community Leader Workshops around the implementation of the DMS, as approved by the Board in January. A broad range of investors, stakeholders, partners and strategic partners were invited to attend. Davison described the structure of the workshops. He noted that Visit SLO CAL staff are beginning the process of understanding the budget and time requirements for each of the 12 recommendations owned by Visit SLO CAL. Following the Community Leader Workshops, staff will work with Resonance to consolidate the information (budget, participation, etc.) into a formal year one prioritization recommendation for the March board meeting. Based on the board's direction, staff will include funds for implementation in the FY2020-21 budget at the May board meeting and begin advancing selected recommendations. In Q4 of the current fiscal year, staff and Resonance will host the countywide forum to allow other partners to learn about the plan and commit to participation.

Public Comment – None.

Committee Discussion.

8. Marketing Update

Davison provided an update on travel trade efforts, partnership and events updates, and key marketing initiatives, and he reported out on paid, earned and owned media results.

Public Comment – None.

Committee Discussion.

9. CEO Contract Update

Pearce provided an overview of the terms for the President & CEO contract renewal, and requested feedback from the Committee. He noted that Mike Gamble, CEO of Searchwide, who has acted as the negotiator for the contract terms, would be calling in to the Special Board Meeting on February 19, 2020 to outline the terms for the Board and answer any questions. Pringle asked the Committee if they believe it should be a closed session at the Special Board Meeting to discuss contract terms, followed by an open session for a vote.

Public Comment – None.

Committee Discussion. The Committee discussed Davison's performance over the past five years and the proposed terms. The Committee also agreed that the Special Board Meeting should be an open session to ensure complete transparency in the process.

ACTION: Moved by Graves/Eads to recommend that the Board approve the terms of the President & CEO contract.

Motion carried: 4:0

ADJOURNMENT

Adjourned at 4:37 pm.

San Luis Obispo County
Visitors & Conference Bureau
2019-2020 Financial Summary - January

Income	This Month	Budgeted for Month	MTD Variance	MTD Actual v. Budget %	MTD % of Total Income/ Expenses	FISCAL YTD	Budget YTD	YTD Variance	YTD Actual v. Budget %	YTD % of Total Income/ Expenses
Web & Ticket Revenue	\$ 554	\$ 850	\$ (296)	65%	0.20%	\$ 6,322	\$ 7,825	\$ (1,503)	81%	0.23%
Co-op Revenue	\$ -	\$ 500	\$ (500)	0%	0.00%	\$ 39,555	\$ 56,500	\$ (16,945)	70%	1.45%
Interest Income	\$ 1,879	\$ 1,873	\$ 5	100%	0.68%	\$ 15,382	\$ 12,232	\$ 3,150	126%	0.57%
TMD Income										
Collected from Prior Year Assessments	\$ -	\$ -	\$ -	100%	0.00%	\$ 2,188	\$ 20,000	\$ (17,813)	11%	0.08%
SLO County Unincorporated	\$ 72,447	\$ 72,447	\$ -	100%	26.25%	\$ 773,353	\$ 773,353	\$ -	100%	28.42%
SLO City	\$ 48,595	\$ 48,595	\$ -	100%	17.61%	\$ 462,344	\$ 462,344	\$ -	100%	16.99%
Pismo Beach	\$ 52,449	\$ 52,449	\$ -	100%	19.00%	\$ 633,675	\$ 633,675	\$ -	100%	23.29%
Morro Bay	\$ 16,502	\$ 16,502	\$ -	100%	5.98%	\$ 223,854	\$ 223,854	\$ -	100%	8.23%
Paso Robles	\$ 34,250	\$ 34,250	\$ -	100%	12.41%	\$ 361,500	\$ 361,500	\$ -	100%	13.28%
Arroyo Grande	\$ 5,819	\$ 5,819	\$ -	100%	2.11%	\$ 61,328	\$ 61,328	\$ -	100%	2.25%
Atascadero **	\$ -	\$ -	\$ -	100%	0.00%	\$ 74,686	\$ 74,686	\$ -	100%	2.74%
Grover Beach	\$ 1,771	\$ 1,771	\$ -	100%	0.64%	\$ 24,232	\$ 24,232	\$ -	100%	0.89%
Adjustment for Actual TMD Collected	\$ 41,720	\$ -	\$ 41,720	100%	15.12%	\$ 42,896	\$ -	\$ 42,896	100%	1.58%
Total TMD Income	\$ 273,554	\$ 231,834	\$ 41,720			\$ 2,660,055	\$ 2,634,972	\$ 25,083		
Total Income	\$ 275,987	\$ 235,057	\$ 40,930	117%	100.00%	\$ 2,721,314	\$ 2,711,529	\$ 9,786	100%	100.00%
** District pays quarterly										
Expenses										
Contingency Reserve	\$ 13,705	\$ 11,634	\$ 2,071	118%	2.94%	\$ 133,319	\$ 132,046	\$ 1,273	101%	5.12%
G&A	\$ 23,038	\$ 23,204	\$ (166)	99%	4.95%	\$ 165,954	\$ 186,582	\$ (20,628)	89%	6.38%
Industry Research and Resources	\$ 28,444	\$ 33,384	\$ (4,940)	85%	6.11%	\$ 142,914	\$ 217,795	\$ (74,881)	66%	5.49%
Travel Trade	\$ 17,702	\$ 18,439	\$ (738)	96%	3.80%	\$ 174,327	\$ 188,601	\$ (14,274)	92%	6.70%
Communications	\$ 38,634	\$ 54,954	\$ (16,320)	70%	8.30%	\$ 173,655	\$ 201,767	\$ (28,112)	86%	6.67%
Advertising	\$ 249,077	\$ 273,909	\$ (24,831)	91%	53.50%	\$ 1,386,034	\$ 1,342,923	\$ 43,112	103%	53.26%
Promotions	\$ 6,795	\$ 7,452	\$ (657)	91%	1.46%	\$ 22,301	\$ 24,347	\$ (2,045)	92%	0.86%
Events	\$ 32,467	\$ 29,505	\$ 2,962	110%	6.97%	\$ 91,463	\$ 82,977	\$ 8,486	110%	3.51%
Digital Marketing	\$ 24,798	\$ 32,057	\$ (7,259)	77%	5.33%	\$ 161,842	\$ 194,065	\$ (32,223)	83%	6.22%
Film Commission	\$ 2,984	\$ 2,111	\$ 873	141%	0.64%	\$ 8,457	\$ 23,982	\$ (15,524)	35%	0.32%
Engagement & Advocacy	\$ 27,913	\$ 24,217	\$ 3,696	115%	6.00%	\$ 142,235	\$ 189,316	\$ (47,082)	75%	5.47%
Total Expenses	\$ 465,557	\$ 510,865	\$ (45,308)	91%	100.00%	\$ 2,602,501	\$ 2,784,399	\$ (181,899)	93%	100.00%
Surplus(Deficit)	\$ (189,570)	\$ (275,808)	\$ 86,238	69%		\$ 118,814	\$ (72,871)	\$ 191,684	-163%	

Cash Flow

Surplus (Deficit)	\$ (189,570)
Beginning Cash Balance	\$ 2,147,034
Change in Accounts Receivable	\$ (7,426)
Change in Accrued Expenses	\$ 123,296
Change in Prepaid Expenses	\$ 28,185
Change in Accounts Payable	\$ (63,855)
Change in Reserve Contingency	\$ 13,705

\$ 118,814
\$ 1,589,714
\$ 310,774
\$ 246,708
\$ (126,758)
\$ (221,201)
\$ 133,319

Ending Cash Balance

\$ 2,051,370

\$ 2,051,370

Contingency Reserve - 5% of Cumulative Revenue

\$ (922,749)

\$ (922,749)

Liability on Balance Sheet

Net Available Cash

\$ 1,128,621

\$ 1,128,621

Notes:

- \$190k deficit for January (\$86k smaller deficit than budgeted). \$119k surplus year-to-date (\$192k larger surplus than budgeted). We are projecting an \$86k surplus at year-end if future months come in on budget.

- All TMD amounts accrued through November have been collected, with the exception of Grover Beach.

- Monies received from partners to help fund initiatives (co-op) are now being recorded as Income, versus a credit to Expenses as they have been recorded in the past.

1:11 PM

02/19/20

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of January 31, 2020

	Jan 31, 20	Jan 31, 19	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	832,192.20	1,357,109.98	-524,917.78	-38.7%
1020 · Bank of the Sierra - Membership	269,065.39	222,843.02	46,222.37	20.7%
1030 · Morgan Stanley - TMD	844,017.64	551,585.86	292,431.78	53.0%
1040 · Morgan Stanley - Membership	106,094.82	102,333.50	3,761.32	3.7%
Total Checking/Savings	2,051,370.05	2,233,872.36	-182,502.31	-8.2%
Accounts Receivable				
1200 · Accounts Receivable	599,915.92	731,939.00	-132,023.08	-18.0%
Total Accounts Receivable	599,915.92	731,939.00	-132,023.08	-18.0%
Other Current Assets				
1320 · Prepaid Rent	4,369.95	4,369.95	0.00	0.0%
1340 · Workman's Comp Deposit	744.40	367.00	377.40	102.8%
1350 · Prepaid Expenses	181,183.28	128,033.66	53,149.62	41.5%
1330 · Employee Advances	7.26	0.00	7.26	100.0%
1499 · Undeposited Funds	0.00	6,479.84	-6,479.84	-100.0%
Total Other Current Assets	186,304.89	139,250.45	47,054.44	33.8%
Total Current Assets	2,837,590.86	3,105,061.81	-267,470.95	-8.6%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	31,747.44	31,747.44	0.00	0.0%
1410 · Furniture & Fixtures	102,213.07	102,213.07	0.00	0.0%
1415 · Leasehold Improvements	71,766.15	71,766.15	0.00	0.0%
1425 · Office Equipment	19,488.10	19,488.10	0.00	0.0%
Total 1400 · Fixed Assets	225,214.76	225,214.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-17,156.17	-17,156.17	0.00	0.0%
1510 · Furn. & Fixt. Accum. Depr.	-10,765.00	-10,765.00	0.00	0.0%
1515 · Leasehold Imp. Accum. Depr.	-2,987.00	-2,987.00	0.00	0.0%
1525 · Office Equip. Accum. Depr.	-15,556.00	-15,556.00	0.00	0.0%
Total 1500 · Accumulated Depreciation	-46,464.17	-46,464.17	0.00	0.0%
Total Fixed Assets	178,750.59	178,750.59	0.00	0.0%
Other Assets				
1600 · Intangibles				
1605 · Trademark - Slocal	15,750.00	15,750.00	0.00	0.0%
Total 1600 · Intangibles	15,750.00	15,750.00	0.00	0.0%
Total Other Assets	15,750.00	15,750.00	0.00	0.0%
TOTAL ASSETS	3,032,091.45	3,299,562.40	-267,470.95	-8.1%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	141,940.30	165,395.60	-23,455.30	-14.2%
Total Accounts Payable	141,940.30	165,395.60	-23,455.30	-14.2%
Credit Cards				
2060 · American Express Credit Card	-2,407.43	23,337.06	-25,744.49	-110.3%
Total Credit Cards	-2,407.43	23,337.06	-25,744.49	-110.3%
Other Current Liabilities				
2070 · Accrued Liabilities	240,233.48	132,197.60	108,035.88	81.7%
2010 · Deferred Revenue	5,120.00	10,920.00	-5,800.00	-53.1%
2100 · Payroll Liabilities				
2115 · Company ETT Payable	48.02	13.67	34.35	251.3%
2125 · Company FUTA Payable	288.31	81.98	206.33	251.7%
2135 · Company SUI Payable	2,354.52	669.55	1,684.97	251.7%
2160 · Health Insurance Withheld	-1,303.59	-503.16	-800.43	-159.1%
Total 2100 · Payroll Liabilities	1,387.26	262.04	1,125.22	429.4%
Total Other Current Liabilities	246,740.74	143,379.64	103,361.10	72.1%

1:11 PM

02/19/20

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of January 31, 2020

	Jan 31, 20	Jan 31, 19	\$ Change	% Change
Total Current Liabilities	386,273.61	332,112.30	54,161.31	16.3%
Total Liabilities	386,273.61	332,112.30	54,161.31	16.3%
Equity				
3120 · Reserved Earnings	922,748.68	702,259.89	220,488.79	31.4%
3130 · Retained Earnings	1,604,255.37	1,522,038.79	82,216.58	5.4%
Net Income	118,813.79	743,151.42	-624,337.63	-84.0%
Total Equity	2,645,817.84	2,967,450.10	-321,632.26	-10.8%
TOTAL LIABILITIES & EQUITY	3,032,091.45	3,299,562.40	-267,470.95	-8.1%

SAN LUIS OBISPO COUNTYWIDE REGIONAL COMPACT

A united regional framework to unlock our potential to develop an adequate supply of housing and resilient infrastructure that support our economic prosperity.

People, water, transportation, connectivity, and housing form the foundation of San Luis Obispo County Region’s healthy, livable communities and thriving economic opportunity.

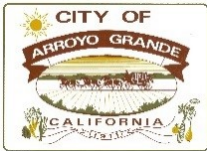
We are a rural coastal county with seven vibrant cities and numerous unincorporated communities that depend on collaborative relationships between and among government agencies, community organizations, and residents to solve our Region’s significant issues, such as limited water supply, disconnects between communities, climate impacts, pressure on agriculture and open space resources, and inadequate access to affordable housing.

To identify actions our agencies can take to solve these issues, we agree to develop our first *Regional Infrastructure and Housing Strategic Action Plan*. This regional effort examines infrastructure and housing needs countywide and integrates efforts to address critical shortages. Our organizations are signing this compact as a first, necessary step toward creating opportunities for our local workforce and families, while preserving the appeal and vitality of our Region.

Our agencies collectively embrace the following six shared regional goals and support aligning resources and policies to make progress towards acting on them. These regional goals will underpin the future *Regional Infrastructure and Housing Strategic Action Plan*, create compatibility among the eight local agencies’ *Housing Elements*, and drive future recommendations for collaborative actions.

Strengthen community quality of life	We believe that our Region’s quality of life depends on four cornerstones to foster a stable and healthy economy for all: resilient infrastructure, services, and resources, adequate housing supply, business opportunities, and educational pathways.
Share regional prosperity	We believe that our Region should share the impacts and benefits of achieving enduring quality of life among all people, sectors and interests.
Create balanced communities	We believe that our Region should encourage new development that helps to improve the balance of jobs and housing throughout the Region, providing more opportunities for residents to live and work in the same community.
Value agricultural & natural resources	We believe that our Region’s unique agricultural resources, open space, and natural environments play a vital role in sustaining healthy local communities and a healthy economy, and therefore should be purposefully protected.
Support equitable & diverse opportunities	We believe that our Region should support policies, actions and incentives that increase the diversity of housing available to people at all income levels.
Foster accelerated housing production	We believe that our Region must achieve efficient planning and production of housing and focus on strategies that produce the greatest impact.

We believe that these regional goals will help to protect and enhance our communities, build critical infrastructure, protect natural resources and create a forward-thinking future for all of our communities. We believe in the importance of taking responsibility for leading our Region towards a brighter future. By signing this compact on this ____ day of _____ 2020, we commit to act as partners by aligning actions with these regional goals. By taking collaborative actions to further these goals, we believe that our Region will solve critical issues and become a statewide leader in sustaining vibrant communities.



City of Arroyo Grande



City of Morro Bay



City of San Luis Obispo



City of Atascadero



City of Paso Robles



San Luis Obispo County



City of Grover Beach



City of Pismo Beach



SLO Council of Governments





Visit SLO CAL Board of Directors Guidelines

The San Luis Obispo County Visitors and Conference Bureau, Inc., DBA Visit SLO CAL Board of Directors includes representatives from each community and type of lodging business, as described below. As directed in the Management District Plan, each community defines the designated lodging constituent to serve as their appointed member of the Board, which makes up the first eight (8) seats, one (1) representative at-large is appointed by the County Board of Supervisors and the remaining ten (10) seats are elected by the Board.

The Visit SLO CAL Board reviews key strategies throughout the year. Realizing this, and the busy schedules of all involved, we request that only lodging constituents who are able to attend the bi-monthly meetings in whole apply for Board seats so that we may assure the business of the organization can be conducted. Board meetings are currently held on the third Wednesday of every other month from 8:30 – 10:30 am and rotate locations throughout the county. Occasionally, meeting times will be extended based on the needs of the business. This format is expected to stay the same for the near future.

Board members must be an owner or currently working as the general manager of an assessed lodging business in San Luis Obispo County in order to remain on the Board.

It is the responsibility of each community appointed Board member to liaison back to their community (e.g., the Unincorporated County Business Improvement District (CBID)) on a monthly basis regarding Visit SLO CAL's efforts. However, we also ask our elected members to do the same with their respective communities. Within one week of a Board meeting, you will receive a copy of the draft minutes to aid you in these efforts.

The Board of Directors serve for staggered three-year terms. The initial Board serve for terms of one, two, or three years. **Seats up for election serve for three-year terms, unless they are replacing a prematurely-vacated seat.**

As defined in the organization's bylaws, "Any Board member who in a twelve-month period either does not attend three (3) successive Board meetings or who misses a total of three (3) meetings without an approved excuse will automatically be removed from the Board without Board resolution unless (i) the member requests a leave of absence for a limited period of time, and the leave is approved by the members at a regular or special meeting (if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present); (ii) the member suffers from an illness or disability that prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection; or (iii) the Board by resolution of the majority of Board members must agree before a member who has missed three (3) successive meetings or three (3) meetings total may be reinstated."

The Board of Directors criteria and structure as defined in the [Management District Plan](#) is outlined on the following page.



Criteria and Structure Defined in the Management District Plan:

Board of Directors

The Visit SLO CAL Board will strive to ensure that each jurisdiction is represented in approximate proportion to the amount contributed by lodging businesses in that jurisdiction. Each Director must be the owner or the general manager of an assessed lodging business, except for the County representative. The Directors will include the following:

- At least one representative of a lodging business in each jurisdiction
- At least one representative each from a vacation rental, a bed and breakfast, and an R.V. park
- At least one representative who is appointed by the County of San Luis Obispo
- At least one at-large assessed lodging business member

The Board of Directors shall be selected as follows:

- At least one lodging business representative from each of the cities shall be appointed by the respective jurisdiction's city council or tourism organization, as each city determines
- At least one lodging business representative shall be appointed by the County Board of Supervisors
- At least one additional representative at-large shall be appointed by the County Board of Supervisors
- Nominations shall be sought from the assessed lodging businesses for the remaining at-large seats. Nominations will be verified by the nominating committee, and a slate provided to the Board of Directors for election. The slate will take into consideration the requirement for various business types.

The Board of Directors shall serve for staggered three-year terms.



Fiduciary and Legal Responsibilities of Board Members

As a Board member, you are responsible for financial and programmatic supervision of the association. You are urged to acquaint yourself with California's non-profit corporation laws. You can find this information here (<https://bit.ly/39Dm4Jd>); see Part 3. NONPROFIT MUTUAL BENEFIT CORPORATIONS. In general, you can protect yourself from liability through the following actions:

- Reviewing your fiduciary duties and the organization's conflict of interest policy
- Exercise reasonable diligence and care in the affairs of the corporation
- Act in good faith with "business judgment"
- Avoid gross negligence or self-dealing (makes you personally liable if the corporation sustains loss or injury)
- Oppose any board actions you don't agree with and be sure opposition is in the written minutes
- Place reasonable reliance on the information and reports of others, but exercise prudence and good judgment
- Attend all board and committee meetings, or show a valid reason for absence
- Thoroughly acquaint yourself with the by-laws
- Keep informed of program activities
- Ensure that statutory or technical requirements are fulfilled (annual reports, withholding taxes, etc.)
- Discourage transactions between the corporation and directors unless it is conducted entirely openly and with stringent safeguards
- Make no monetary profit unless expressly provided in reimbursement for expenses directly associated with the by-laws
- Be sure the records of the organization reflect good faith efforts and conscientious conduct

Code of Conduct

A healthy democracy respects the people's right to debate issues with passion. A healthy democracy not only tolerates disagreement but welcomes it in order to refine ideas and create policies that benefit the greater good.

A deterioration of civility at any level poses a threat to our community and our civic well-being. This deterioration:

- Compromises the integrity of a healthy, representative democracy
- Closes the door on depth of thought, reducing complex problems to harmful oversimplification
- Deters potential leaders from serving
- Poisons the well and discourages engagement on pressing community issues
- Casts the spotlight on poor behavior rather than shining a light on possible solutions
- Sets a poor example for our children

As a Board Member, you must affirm this Code of Conduct as a promise to each other, and to the investors we serve, that we will always strive to conduct our debates - whether in person, online, or in written communication



- in ways that allow for the widest range of opinions on ideas and policies, yet also respect the dignity, integrity and rights of those with whom we might disagree, and that we remember that the Board of Directors represents the entire lodging community in its considerations and actions. Therefore, in our deliberations, we pledge to:

Listen First

We will make an honest effort to understand views and reasoning of others by actively listening to understand, not listening to find fault, allowing thoughtful discussion to lead to the best possible outcomes.

Respect Different Opinions

We will invite and consider different perspectives, allowing space for ideas to be expressed, opposed and clarified in a constructive manner.

Show Courtesy

We will treat all colleagues, staff and members of the public in a professional and courteous manner whether in person, online, or in written communication, especially when we disagree.

Criticize Constructively

We strive to advance solutions to community issues; when faced with disagreement, we do more than simply share our concerns with differing positions, we work to propose a course of action of mutual benefit.

Debate the Policy Not the Person

We will focus on the issue, and not personalize debate or use other tactics that divert attention from the issue.

Consider the Best Interests of the Countywide Lodging Community the Organization Represents

We will set aside the interests of the property or community(ies) we represent so that our decisions represent the best interests of the countywide lodging community as a whole.

BOARD MEMBER RESPONSIBILITIES

You are elected or appointed to the Board of Directors because the community respects your good judgment and your interest in travel and tourism. Since the board is the main decision-making body of Visit SLO CAL and its legal representative, the community expects board members not only to be responsive to their needs, but also to be informed and prudent as they conduct the business of Visit SLO CAL.

It is not necessary to handle administrative details or concern yourself with day-to-day operations, as this is the responsibility of the President & CEO.



Your role is to ensure the continuity of Visit SLO CAL by planning for the future, establishing and reviewing the major policies and programs that support its mission, and ensuring that the Bureau is fiscally sound. In many ways, your function is critical to the life of the organization.

It is the responsibility of Visit SLO CAL board members to:

- Meet with Visit SLO CAL's President & CEO (along with a board member liaison) for a New Board Member On-Boarding Meeting as assigned. The President & CEO will reach out to schedule a date that works best for all parties
- View Visit SLO CAL's Brown Act Training video and confirm that they have watched it
- Assess Visit SLO CAL programs and services
- Periodically review bylaws, policy and procedure manuals, and other pertinent documents
- Be familiar with past board business and policies by reading the minutes of previous board meetings
- Come to board meetings informed about issues to be discussed. If you have any questions about an item on the agenda, consult the President & CEO or the Director of Operations prior to the meeting
- Help formulate and establish policies in the best interests of Visit SLO CAL's investors, based on your knowledge of their needs
- Be willing to accept assignments that result from action taken at board meetings and support the policies and programs adopted by the Board
- Help make decisions affecting Visit SLO CAL's financial structure and resource allocations and approve the annual operating budget
- Evaluate the programs of Visit SLO CAL to be sure they serve the mission of the organization
- Help ensure that the organization has adequate resources and that those resources are managed effectively
- Be an active advocate of Visit SLO CAL to the community, government, and local businesses
- In addition to the monthly board meetings, attend Visit SLO CAL functions and activities when possible including semi-annual Advisory Committee meetings, annual Destination Summit among others. Should you be unable to attend board meetings, let Visit SLO CAL know in advance and provide a reason for your absence.

WORKING WITH VISIT SLO CAL STAFF

It is important to work in partnership with Visit SLO CAL's President & CEO and other key personnel to carry out the policies the board develops. The staff possesses the professional skills and experience in handling Visit SLO CAL affairs. They are committed to helping you in every way possible.

The President & CEO and staff are a reliable and essential resource. They can provide you with information, answer questions you may have, identify problems, and offer solutions. They are the experts – equipped to handle the day-to-day administrative details of Visit SLO CAL, and freeing you to carry out the essential tasks involved in planning and decision making.



The President & CEO shares certain responsibilities with you, such as serving as spokesperson for the organization, representing it before its many publics, communicating information, identifying future Visit SLO CAL leaders, helping to develop policies and programs, and motivating participation. Because there are so many ways the board, the President & CEO, and the staff interact, it is vital that you approach each other with trust, candor, and respect. It is important to communicate openly and honestly from the very beginning and to agree on your respective roles and responsibilities, the mission of Visit SLO CAL, and its goals and objectives.

The board is covered by the Directors and Officers (D & O) insurance policy of Visit SLO CAL. In order to ensure that they do not put themselves at risk to be held personally liable or violate conditions of the insurance, board members must not discuss any board matters or employee complaints with members of the press or others outside the organization. All questions or requests for comments should be directed to the President & CEO.

HARASSMENT POLICY

It is the policy of Visit SLO CAL that every employee shall enjoy a work environment free from all forms of harassment. Harassment is a form of misconduct that is not welcome, is personally offensive, and undermines the integrity of Visit SLO CAL employment. This policy also applies to board members when in attendance at Visit SLO CAL functions.

By signing below, I understand and agree to adhere to the Board Member Guidelines outlined above.

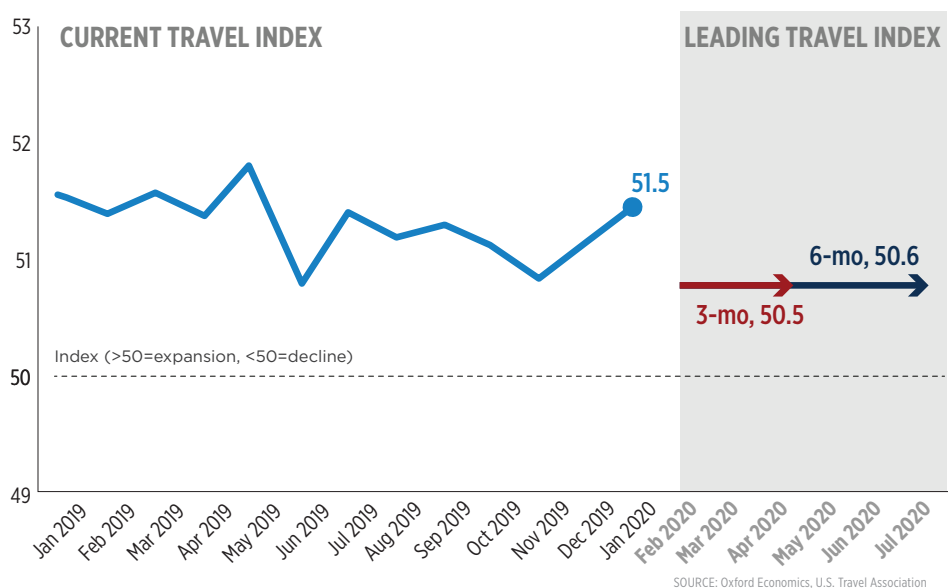
Name: _____

Signature: _____ Date: _____

JANUARY TRAVEL TRENDS INDEX

The Travel Trends Index measures the direction and pace of travel volume to and within the U.S. on a monthly basis. The index includes a Current Travel Index (CTI) and a Leading Travel Index (LTI). Both the CTI and the LTI include subcomponents (domestic, international, leisure and business).

Analysis provided by
 OXFORD
ECONOMICS



CTI reading of **51.5** in **January 2020** indicates that travel to or within the U.S. grew **3.0%** in **January 2020** compared to January 2019.

LTI predicts travel growth will be moderate through July 2020, a result of softer growth in domestic leisure travel and a sharp downturn in international inbound travel.

Overall travel volume (person trips to or within the United States involving a hotel stay or air travel) grew at a faster year-over-year rate in January 2020 than in December 2019. Domestic travel growth surpassed 0.3%, primarily supported by the leisure segment; international inbound travel increased for just the third time in the past eight months, though the increase was slight. While not apparent in the January data, the coronavirus outbreak is expected to disrupt inbound travel, particularly from fast-growing Asian markets, over the coming months.

HIGHLIGHTS:

* For CTI and LTI definitions, please see below.

- The Current Travel Index (CTI) has registered at or above the 50 mark for 121 straight months, as the industry enters its 11th consecutive year of expansion.
- The CTI was positive in January, registering 51.5 (indicating 3.0% year-over-year growth). This exceeds the 6-month moving average (2.4%).
- International inbound travel slightly increased in January (0.2%), registering two consecutive months of growth. The Leading Travel Index (LTI) projects that inbound travel volume will decline about 4.4% over the next six months compared to prior year levels.
- Domestic leisure travel posted strong January growth (4.2%), outperforming its recent six-month trend (3.4%). The business segment experienced healthy growth (1.6%), more than doubling its six-month trend (0.6%).
- The six-month LTI reading of 50.6 indicates that total U.S. travel volume is expected to grow at a rate of 1.2% through July 2020. Over the same period, domestic travel is expected to ease toward 1.6% growth and international inbound travel is expected to contract significantly (-4.4%).

The Oxford/U.S. Travel **Current Travel Index (CTI)** measures the direction and pace of travel volume to and within the U.S. on a monthly basis compared to the same month in the prior year. The index is comprised of a weighting of hotel room demand and air passenger enplanements that represents the overall volume of travelers each month. A score above 50 indicates expansion. A score below 50 indicates decline.

The Oxford/U.S. Travel **Leading Travel Index (LTI)** is an indicator of the future direction and pace of travel volume to and within the U.S. over the coming three and six months compared to the same period in the prior year. The LTIs represent average readings over the next three and six months. The LTI econometric model is based on data sets that have demonstrated to predict near-term future travel: online travel searches and bookings for future travel, consumer travel intentions data, and economic fundamentals. A score above 50 indicates expansion. A score below 50 indicates decline.

JANUARY TRAVEL TRENDS INDEX (CONT.)

	CTI	3-MONTH LTI*	6-MONTH LTI**
DECEMBER INDEX	51.2	50.7	50.7
JANUARY INDEX	51.5	50.5	50.6
DIRECTION AND SPEED	Travel demand increased; at a faster rate as the previous month	Travel is expected to grow over the coming 3 months; at a slower rate	Travel is expected to grow over the coming 6 months; at a slower rate

* Average outlook reading for Feb 2020 to Apr 2020
 ** Average outlook reading for Feb 2020 to Jul 2020



The January TTI report is the first solid piece of intelligence on the harmful impact that coronavirus will have on the travel industry and, by extension, the U.S. economy. Over the next six months, the international inbound travel LTI projects the largest decline in travel to the U.S. since the financial crisis of 2009—a stark deterioration compared to expectations just a month ago. It is important to note that conditions are changing daily and the prospect for an even larger impact on travel should not be discounted.

DAVID HUETHER
 Senior Vice President, Research

DETAILED RESULTS:

Domestic travel rose 3.2% in January, a result of contributions from both the leisure (4.2%) and business segments (1.6%). Despite healthy consumer confidence, forward-looking bookings and search data provide mixed signals for the coming months.

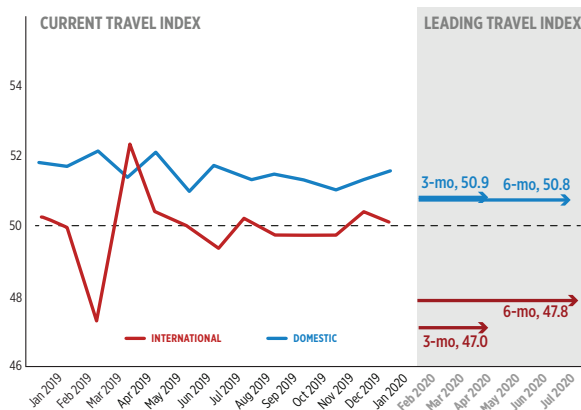
International inbound travel increased slightly year over year in January. This marks the first back-to-back positive results for this segment since May 2019. International inbound travel's period of moderate growth will likely end as fears and restrictions related to the coronavirus outbreak stymie international travel worldwide.

	CURRENT TRAVEL INDEX (CTI)				LEADING TRAVEL INDEX (LTI)		6-MO LTI VS. CTI 6-MO AVG.	
	6-MONTH AVG	NOVEMBER	DECEMBER	JANUARY	3-MONTH*	6-MONTH**	DIRECTION	SPEED
TOTAL MARKET	51.2	50.8	51.2	51.5	50.5	50.6	Increasing	Slower
INTERNATIONAL	50.1	49.7	50.8	50.1	47.0	47.8	Decreasing	-
DOMESTIC	51.3	50.9	51.2	51.6	50.9	50.8	Increasing	Slower
BUSINESS	50.3	49.9	51.0	50.8	50.7	50.7	Increasing	Faster
LEISURE	51.7	51.4	51.3	52.1	51.0	50.9	Increasing	Slower

* Average outlook reading for Feb 2020 to Apr 2020
 ** Average outlook reading for Feb 2020 to Jul 2020

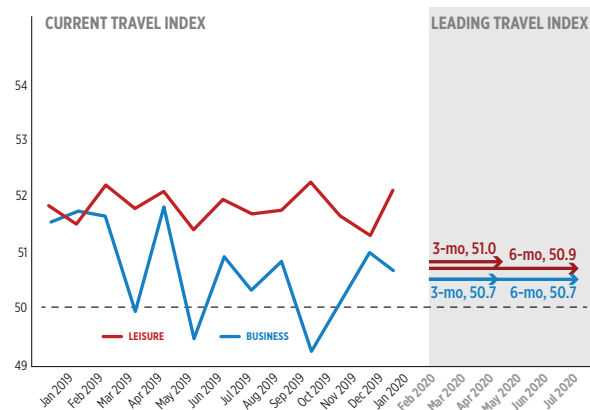
JANUARY DOMESTIC AND INTERNATIONAL TRAVEL INDEX

Index (>50 = expansion, <50 = decline)



JANUARY DOMESTIC BUSINESS AND LEISURE TRAVEL INDEX

Index (>50 = expansion, <50 = decline)



The Oxford/U.S. Travel **Current Travel Index (CTI)** measures the direction and pace of travel volume to and within the U.S. on a monthly basis compared to the same month in the prior year. The index is comprised of a weighting of hotel room demand and air passenger enplanements that represents the overall volume of travelers each month. A score above 50 indicates expansion. A score below 50 indicates decline.

The Oxford/U.S. Travel **Leading Travel Index (LTI)** is an indicator of the future direction and pace of travel volume to and within the U.S. over the coming three and six months compared to the same period in the prior year. The LTIs represent average readings over the next three and six months. The LTI econometric model is based on data sets that have demonstrated to predict near-term future travel: online travel searches and bookings for future travel, consumer travel intentions data, and economic fundamentals. A score above 50 indicates expansion. A score below 50 indicates decline.