



AGENDA

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Agenda

Wednesday, September 29, 2021

8:30am-11:00am

SpringHill Suites, 900 El Camino Real, Atascadero, CA 93422

1. CALL TO ORDER

2. PUBLIC COMMENT (On Non-Agenda Items)

ANNOUNCEMENTS

C. Davison

3. Presentation of Honorary Award to Kathy Bonelli

CONSENT AGENDA – motion required

C. Davison

4. Approval of June 16, 2021 Board of Directors Meeting Minutes

5. Approval of June 2021/Year-End Visit SLO CAL Financials

6. Approval of July 2021 Visit SLO CAL Financials

7. Approval of August 2021 Visit SLO CAL Financials

8. Approval of FY 2021 Annual Report

9. Re-approval of Public Policy Platform

10. Amendment to Visit SLO CAL's 401k Plan

Staff will request Board approval of the June 16, 2021 Board of Directors Meeting Minutes; June/Year-End, July and August 2021 Visit SLO CAL Financials; FY 2021 Annual Report; re-approval of the Public Policy Platform, with no changes; and approval to amend Visit SLO CAL's 401k Plan enrollment eligibility period from the current one-year period to a 90-day period.

CEO REPORT

C. Davison

11. CEO Report (10 min)

Staff will provide an update on current projects, reporting and areas of focus for the months ahead.

BUSINESS ITEMS

C. Davison

12. FY 2021 Audit (20 min) – motion required

Erin Nagle, Glenn Burdette, will present the findings of Visit SLO CAL's FY 2021 Audit, and the Board will consider a recommendation for approval of the Audit.

13. Board Member Selection (10 min) – motion required

The Board will review candidates for the vacation rental board seat, which will be open after September 29, and will consider a recommendation for approval.

14. Events & Festivals Strategy Phase I Consultant Approval (10 min) – motion required

The Board will review staff's recommendation to divide the current SOW into two phases and use a consultant to facilitate the countywide Events & Festivals Strategy Working Group meetings, and consider approval of the recommendation.

15. Customer Service Training Initiative Consultant Approval (20 min) – motion required

The Board will review staff's recommendation for a consultant to develop a countywide Customer Service Training Program as part of the Experience SLO CAL 2050 Initiative, and consider approval of the recommendation.

16. Future Visitor Profile Study and EDI Audience & Asset Alignment Study Results Presentation (40 min)

Stephanie Brown, SMARInsights, will present on the findings and takeaways from the Future Visitor Profile Study and the EDI Audience & Asset Alignment Study.

17. Land Of Campaign Update (25 min)

Staff will provide an update on the "Land of" brand campaign, including the hero brand spots and the logo lock-up component of the House of Brands strategy.

ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

C. Davison

18. Employee Dismissal (15 min)

CLOSED SESSION REPORT

C. Davison

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 Board of Directors to discuss or take action on issues not on the agenda, except that members of the Board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the Board to follow-up on such items and/or place them on the next Board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board.

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 Board of Directors Annual Meeting

Visit SLO CAL Board of Directors Annual Meeting Minutes

Wednesday, June 16, 2021

8:30am-10:30am

Embassy Suites, 333 Madonna Road, San Luis Obispo, CA 93405

Video Conference Option - URL: <https://us02web.zoom.us/j/85985719714>

Meeting ID: 859 8571 9714

Call-In Phone Number: (669) 900-6833

1. CALL TO ORDER: Hemant Patel

PRESENT: Jed Bickel, Kathy Bonelli, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Amit Patel, Hemant Patel, Victor Popp, Amar Sohi

PRESENT (VIA VIDEOCONFERENCE): Alma Ayon, Toni LeGras, Sam Miller

ABSENT: Clint Pearce, Nipool Patel, John Conner

STAFF PRESENT: Chuck Davison, Cathy Cartier, Brendan Pringle, Kyla Boast

Call to Order at 8:38am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison announced that SLO CAL branded annual thank you gifts have been distributed to the Board (at their seats), in appreciation for their time, effort, energy and hard work over the past fiscal year. He thanked the Board for their leadership, partnership and support. He noted that Martin Resorts, Supervisor Dawn Ortiz-Legg and Visit SLO CAL will be hosting a reception for newly appointed California Coastal Commissioner Meagan Harmon on Wednesday, June 23, 2021, from 5:00pm-7:00pm at the Avila Lighthouse Suites. Coastal lodging investor owners and GMs and elected officials will be invited to participate in this event. Davison also introduced his daughter, Savannah Davison, who was attending the meeting. Bonelli announced that she would resign from the Board following the September Board meeting. Davison thanked Bonelli for her service, and noted that Pringle will work to get the application posted for the vacation rental seat on the Board.

CONSENT AGENDA

3. Approval of May 19, 2021 Board of Directors Meeting Minutes
4. Approval of May 2021 Visit SLO CAL Financials
5. Appointment of Marketing Committee Seats
6. Ratification of Jed Bickel's Appointed Board Seat
7. Ratification of Sam Miller's Appointed Board Seat
8. Ratification of Victor Popp's Appointed Board Seat
9. Selection of Visit SLO CAL's FY 2021 Auditor

Davison noted that the Marketing Committee recommended the re-appointment of Lindsey Roberts (Martin Resorts) and Lori Keller (Blu Hotel Investors) and the appointment of Lynette Sonne (Farmstead Ed) and Leann Standish (SLO Museum of Art) at their June 8, 2021 meeting. The Executive Committee also recommended the re-appointment of Roberts and Keller, and the appointment of Sonne; however, concerns over Leann Standish's representation as a single business in one community, lack of previous engagement with Visit SLO CAL and limited marketing expertise led to her recommendation not being moved forward. Upon the recommendation of the Board last year, an annual audit and tax filing RFP was conducted. Five proposals were received and scored based on similar audit experience (20%), proposed service delivery model and individual assigned to the account (40%), cost (20%) and overall presentation (20%). Staff is recommending the selection of Glenn Burdette, who scored highly based on the thoroughness of their approach, the qualifications of the partner assigned to the account and their ability to work with Visit SLO CAL's timeline. Davison outlined Glenn Burdette's credentials and past work with other non-profits of a similar size and complexity, and the proposed involvement of the principal assigned to the account. Staff vetted the proposal through Jim Hamilton, Visit SLO CAL Board Member and the County Auditor, who noted that the proposal was robust, and noted the quality of Glenn Burdette's work. Staff also reached out to nonprofit references who have worked with the proposed account lead, who spoke to her thoroughness, responsiveness and extensive, detail-oriented prep work (pre-audit discovery work).

Public Comment – None.

Board Discussion. Hamilton recognized Davison and Pringle for conducting an RFP for the audit, and noted that Glenn Burdette is the auditor for a number of County nonprofit contractors. He added that Glenn Burdette has an excellent reputation, and that their cost is reasonable. Davison added that Glenn Burdette has offered to present the audit to the Board, in person, at the September meeting. H. Patel and Graves noted their positive experience with the firm.

ACTION: Moved by Hamilton/Graves to approve the Consent Agenda, including the re-appointment of Lindsey Roberts and Lori Keller, and the appointment of Lynette Sonne to the Marketing Committee, as well as the selection of Glenn Burdette as Visit SLO CAL's FY 2021 auditor.

Motion carried: 13:0

CEO REPORT

10. CEO Report

Davison provided an update on his sabbatical planning, and thanked the Committee for the opportunity to step away. He outlined the FY 2022 Board of Directors meeting schedule, noting that in FY 2022, Visit SLO CAL will revert to having the last (Annual) Board meeting in May. Pringle will send calendar invites for all dates. Davison reviewed a list of key initiatives budgeted in FY 2021 that have experienced serious delay (Oceano Dunes Economic Impact Assessment, Cal Poly Economic Impact Assessment, Events & Festivals Strategy, and Customer Service Training Initiative). He added that the sudden extended leave on May 25, 2021 of the Director of Community Engagement & Advocacy who oversees this work will cause additional delays to these areas of oversight due to a gap in staffing. Davison outlined next steps on the Events & Festivals Strategy and Customer Service Training Initiatives.

Public Comment – None.

Board Discussion. Graves questioned the delay in the work and noted the importance of driving these initiatives forward. He asked if additional staff was necessary. Davison shared his frustration with the delay and the lack in activation of budgeted funds in this fiscal year. He noted Visit SLO CAL's reputation of being known for delivering on their scope-of-work. He outlined that while additional staff has not been allocated in the FY 2022 budget, he would bring a staffing plan to achieve these results to the Executive Committee in August. Davison also noted that on items like the Events & Festivals Strategy MOU, requested by the Board, Visit SLO CAL would lean heavily on the support of Board members to champion initiatives at the community level, especially for those that are also Board members of their local DMO who will need to approve the MOU advancement.

BUSINESS ITEMS

11. COVID-19 Impact & Response Update

Davison noted that on June 11, 2021, Governor Newsom signed an executive order that lifted capacity limits and physical distancing requirements for businesses (mega events still have limits), effective June 15, 2021. People who are fully vaccinated are not required to wear a mask (except on public transit, in youth and healthcare settings, shelters, and correctional facilities). Cal/OSHA guidelines are set to be approved on June 17, 2021. People who have not been vaccinated are required to wear a mask in public places, and California's state of emergency remains in effect. Davison provided an update on air service, and noted that Visit SLO CAL and the SLO County Regional Airport would be in front of air service planners five times over the next 12 months as part of their air service recovery strategy. Davison celebrated the launch of air service from San Diego and Portland on June 17, 2021, and noted that Visit SLO CAL was hosting six influencers from Portland, and that its first flight, as of yesterday, was 96 percent full. He added that Visit SLO CAL's talking points around new air service have highlighted how lodging owners have invested millions of dollars in the initiative to bring new air service to the county over the past five years. Davison reviewed the cash flow projection for June to December 2021, and noted that it reflects expense estimates from the draft FY 2022 budget, in front of the Board in this meeting for approval. He also reviewed how SLO CAL compared to its competitive set on occupancy, ADR and RevPAR, based on the April 2021 STR report. Davison noted that as SLO CAL puts the pandemic behind us, the "COVID-19 Impact & Response" item would no longer be an agenda item at future meetings, and that any related updates would occur in the CEO Report.

Public Comment – None.

Board Discussion.

12. FY 2022 Business & Marketing Plan

Davison noted that the draft FY 2022 Business & Marketing Plan was included in the agenda packet for review in concept, and that minor final updates will be made to the plan after Board approval and prior to publication. Davison noted that the FY 2022 plan includes four organizational objectives aligned with the four imperatives in SD 2023, and key results associated with each objective which ladder down to department and individual objectives and key results (OKRs). He outlined those four objectives, and reviewed the prioritization of Experience SLO CAL 2050 recommendations noted in the Plan. Cartier outlined the SLO CAL brand evolution and the phases of the House of Brands campaign strategy, provided details on Visit SLO CAL's target audience, the phased media plan approach, media campaign KPIs, and the strategies for owned and earned media; sales; partnership and events; and equity, diversity and inclusion (EDI). She also outlined partner activation opportunities. Davison noted that the Marketing Committee recommended approval of the Plan at their June 8, 2021 meeting, and the Executive Committee recommended approval of the Plan at their June 10, 2021 meeting.

Public Comment – None.

Board Discussion. Popp asked about group sales efforts planned for FY 2022. Boast discussed Visit SLO CAL's partnership with CVENT, and how the sales department was leveraging this tool to divert business from its competitive set.

ACTION: Moved by A. Patel/Bonelli to approve the FY 2022 Business & Marketing Plan in concept, as presented, and as recommended by the Marketing Committee and the Executive Committee.

Motion carried: 13:0

13. FY 2022 Budget

Davison presented the proposed FY 2022 annual budget, including additional staff positions, and walked the Board through revenue projections and expenses by department. He noted that staff accounted for residual income from past fiscal years, FY 2016 – FY 2020, estimated carryover from FY 2021 based on actual surplus income, estimated April surplus income, estimated surplus from May/June actuals, and the \$426k that was held as surplus funds during the re-forecast in January. The remaining estimated carryover will be held as a surplus, and will be addressed during the re-forecast. He noted that revenue numbers do not include PPP loan forgiveness (\$151k), as forgiveness of this loan is expected to occur in the coming fiscal year, and will be recognized as revenue at that time. He highlighted the fact that administrative costs represent only

19.1 percent of Visit SLO CAL expenses, as opposed to the agreed-upon 25 percent maximum. He also noted that the work proposed with this budget and the aforementioned Business & Marketing Plan will be the largest scope-of-work, by far, ever undertaken by Visit SLO CAL. Davison added that, in the future, Visit SLO CAL's monthly financial statements will show the residual surplus value so that the Board and staff can track against it.

Public Comment – None

Board Discussion. Graves recognized the level of detail on the Budget and the amount of work that went into its development, and Sohi noted how much he appreciated the amount of funds being directed to marketing and media spend.

ACTION: Moved by Graves/Popp to approve the FY 2022 Budget as presented, as recommended by the Executive Committee.

Motion carried: 13:0

14. Travel Trade & Marketing Update

Cartier provided an update on the Hero Brand and House of Brands Asset Development and Distribution Co-op. Staff launched the co-op form last week, and the co-op election deadline was EOD Friday, June 11; however, some destination partners are waiting on their board to grant approval. She distinguished Hero Assets from House of Brands Assets, outlined the opportunities, and noted the destination partners who had tentatively committed to participating thus far. Cartier also provided an update on the EDI Audience and Asset Alignment Study and Future Visitor Profile Study, noting that Visit SLO CAL has signed an agreement with SMARInsights to conduct this scope of work. She noted the completion timeline, outlined the opportunities and noted the destination partners who had tentatively committed to participating thus far. Davison requested that Board members serving on their local DMO boards champion these co-op opportunities, noting the incredible value of these opportunities and their minimal co-op cost as most local DMOs would not be able to afford these programs on their own.

Public Comment – None

Board Discussion.

ANNOUNCEMENT OF CLOSED SESSION ITEM

15. Employee Dismissal

CLOSED SESSION REPORT

No action was taken by the Board during Closed Session.

Davison noted upcoming agenda items.

ADJOURNMENT

Adjourned at 11:08am.

San Luis Obispo County
Visitors & Conference Bureau
2020-2021 Financial Summary - June [AUDITED]

Income	This Month	Budgeted for Month	MTD Variance	% Variance	MTD % of Total Income/ Expenses	FISCAL YTD	Budget YTD	YTD Variance	% Variance	YTD % of Total Income/ Expenses
Web & Ticket Revenue	\$ 1,000	\$ 700	\$ 300	42.86%	0.07%	\$ 10,549	\$ 10,400	\$ 149	1.43%	0.14%
Co-op Revenue	\$ 252	\$ -	\$ 252	100.00%	0.02%	\$ 757	\$ -	\$ -	100.00%	0.01%
Interest Income	\$ 259	\$ 1,000	\$ (741)	-74.08%	0.02%	\$ 3,068	\$ 5,620	\$ (2,553)	-45.42%	0.04%
TMD Income										
Collected from Prior Year Assessments	\$ (111,509)	\$ -	\$ (111,509)	-100.00%	-7.75%	\$ (0)	\$ 111,509	\$ (111,509)	-100.00%	0.00%
Arroyo Grande	\$ 13,294	\$ 13,294	\$ -	0.00%	0.92%	\$ 106,521	\$ 106,521	\$ -	0.00%	1.45%
Atascadero **	\$ 44,806	\$ 44,806	\$ -	0.00%	3.12%	\$ 132,961	\$ 132,961	\$ -	0.00%	1.81%
Grover Beach	\$ 5,174	\$ 5,174	\$ -	0.00%	0.36%	\$ 41,988	\$ 41,988	\$ -	0.00%	0.57%
Morro Bay	\$ 58,672	\$ 58,672	\$ -	0.00%	4.08%	\$ 370,764	\$ 370,764	\$ -	0.00%	5.04%
Paso Robles	\$ 65,896	\$ 65,896	\$ -	0.00%	4.58%	\$ 526,803	\$ 526,803	\$ -	0.00%	7.16%
Pismo Beach	\$ 265,103	\$ 265,103	\$ -	0.00%	18.43%	\$ 1,539,842	\$ 1,539,842	\$ -	0.00%	20.92%
City of San Luis Obispo	\$ 143,429	\$ 143,429	\$ -	0.00%	9.97%	\$ 810,252	\$ 810,252	\$ -	0.00%	11.01%
Unincorporated SLO County	\$ 166,863	\$ 166,863	\$ -	0.00%	11.60%	\$ 1,248,440	\$ 1,248,440	\$ -	0.00%	16.96%
Adjustment for Actual TMD Collected	\$ 784,914	\$ -	\$ 784,914	100.00%	54.58%	\$ 2,568,273	\$ 1,159,597	\$ 1,408,676	121.48%	34.89%
Total TMD Income	\$ 1,436,642	\$ 763,237	\$ 673,405	88.23%	99.89%	\$ 7,345,843	\$ 6,048,676	\$ 1,297,167	21.45%	510.78%
Total Income	\$ 1,438,153	\$ 764,937	\$ 673,216	88.01%	100.00%	\$ 7,360,216	\$ 6,064,696	\$ 1,294,763	21.35%	100.00%
** District pays quarterly										
Expenses										
Contingency Reserve	\$ 71,539	\$ 464,041	\$ (392,502)	-84.58%	11.65%	\$ 793,320	\$ 728,798	\$ 64,523	8.85%	15.08%
G&A	\$ 69,485	\$ 25,481	\$ 44,004	172.69%	11.32%	\$ 308,863	\$ 288,283	\$ 20,580	7.14%	5.87%
Industry Research and Resources	\$ 20,575	\$ 25,884	\$ (5,310)	-20.51%	3.35%	\$ 191,089	\$ 247,928	\$ (56,840)	-22.93%	3.63%
Travel Trade	\$ 25,135	\$ 39,092	\$ (13,957)	-35.70%	4.09%	\$ 227,716	\$ 252,918	\$ (25,203)	-9.96%	4.33%
Communications	\$ 44,086	\$ 84,971	\$ (40,885)	-48.12%	7.18%	\$ 210,107	\$ 286,342	\$ (76,235)	-26.62%	3.99%
Advertising	\$ 278,480	\$ 361,776	\$ (83,295)	-23.02%	45.37%	\$ 2,808,340	\$ 2,886,065	\$ (77,726)	-2.69%	53.38%
Promotions & Events	\$ 27,882	\$ 8,177	\$ 19,704	240.96%	4.54%	\$ 97,883	\$ 87,934	\$ 9,949	11.31%	1.86%
Digital Marketing	\$ 58,814	\$ 45,060	\$ 13,754	30.52%	9.58%	\$ 402,313	\$ 424,564	\$ (22,251)	-5.24%	7.65%
Film Commission	\$ -	\$ 4,194	\$ (4,194)	-100.00%	0.00%	\$ 820	\$ 11,961	\$ (11,141)	-93.14%	0.02%
Engagement & Advocacy	\$ 17,869	\$ 120,615	\$ (102,746)	-85.18%	2.91%	\$ 220,281	\$ 424,522	\$ (204,241)	-48.11%	4.19%
Total Expenses	\$ 613,865	\$ 1,179,291	\$ (565,426)	-47.95%	100.00%	\$ 5,260,731	\$ 5,639,316	\$ (378,584)	-6.71%	100.00%
Surplus(Deficit)	\$ 824,288	\$ (414,354)	\$ 1,238,642	298.93%		\$ 2,099,484	\$ 425,380	\$ 1,673,348	393.38%	
Prior Years' Surplus - FY16 to FY20						\$ 1,130,000				
Total Cumulative Surplus						\$ 3,229,484				

Cash Flow

Surplus (Deficit)	\$ 824,288	\$ 2,099,484
Beginning Cash Balance	\$ 3,857,424	\$ 1,605,945
Change in Accounts Receivable	\$ (826,005)	\$ (1,351,804)
Change in Accrued Expenses	\$ 51,657	\$ 441,749
Change in Prepaid Expenses	\$ (158,374)	\$ (139,671)
Change in Accounts Payable	\$ (163,807)	\$ 207,700
Change in Reserve Contingency	\$ 162,381	\$ 884,162

Visit SLO CAL Cash Balances

\$ 3,747,565	\$ 3,747,565
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Contingency Reserve - 5% of Cumulative Rev.

\$ (1,760,873)	\$ (1,760,873)
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Liability on Balance Sheet

Net Available Cash

\$ 1,986,692	\$ 1,986,692
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Notes:

- \$824k surplus for June (\$1.24M larger surplus than budgeted). \$2.1 Million surplus year-to-date (\$1.67 Million larger surplus than budgeted).
- This financial summary reflects audited numbers (and corresponding adjustments) for the fiscal year ended June 30, 2021. Please refer to separate draft report from our audit firm.
- \$426k additional transfer to reserves that was approved during the reforecast was budgeted for June but actually transferred earlier in the fiscal year (February).
- \$151k in Paycheck Protection Plan Proceeds was received in March. It was recorded as a liability on the Balance Sheet until the loan is forgiven, at which time it will be recognized as Income.
- All TMD amounts accrued through April have been collected.

Visit SLO CAL

Balance Sheet Prev Year Comparison

As of June 30, 2021

	Jun 30, 21	Jun 30, 20	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,561,638.26	371,729.37	1,189,908.89	320.1%
1020 · Bank of the Sierra - Membership	302,958.05	260,466.74	42,491.31	16.3%
1030 · Morgan Stanley - TMD	1,649,382.07	866,929.17	782,452.90	90.3%
1040 · Morgan Stanley - Membership	107,494.87	106,819.28	675.59	0.6%
Total Checking/Savings	3,621,473.25	1,605,944.56	2,015,528.69	125.5%
Accounts Receivable				
1200 · Accounts Receivable	1,798,175.56	446,371.85	1,351,803.71	302.8%
Total Accounts Receivable	1,798,175.56	446,371.85	1,351,803.71	302.8%
Other Current Assets				
1320 · Prepaid Rent	4,869.95	4,369.95	500.00	11.4%
1340 · Workman's Comp Deposit	744.40	744.40	0.00	0.0%
1350 · Prepaid Expenses	232,603.30	93,425.50	139,177.80	149.0%
1330 · Employee Advances	0.00	7.26	-7.26	-100.0%
1499 · Undeposited Funds	126,090.68	0.00	126,090.68	100.0%
Total Other Current Assets	364,308.33	98,547.11	265,761.22	269.7%
Total Current Assets	5,783,957.14	2,150,863.52	3,633,093.62	168.9%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	48,168.51	48,168.51	0.00	0.0%
1410 · Furniture & Fixtures	101,040.00	101,040.00	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	240,462.76	240,462.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-33,357.17	-27,186.17	-6,171.00	-22.7%
1510 · Furn. & Fixt. Accum. Depr.	-26,399.00	-20,705.00	-5,694.00	-27.5%
1515 · Leasehold Imp. Accum. Depr.	-11,903.00	-8,931.00	-2,972.00	-33.3%
1525 · Office Equip. Accum. Depr.	-47,479.00	-36,838.00	-10,641.00	-28.9%
Total 1500 · Accumulated Depreciation	-119,138.17	-93,660.17	-25,478.00	-27.2%
Total Fixed Assets	121,324.59	146,802.59	-25,478.00	-17.4%
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	5,921,031.73	2,313,416.11	3,607,615.62	155.9%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	225,827.00	42,509.11	183,317.89	431.2%
Total Accounts Payable	225,827.00	42,509.11	183,317.89	431.2%
Credit Cards				
2060 · American Express Credit Card	25,843.74	1,461.94	24,381.80	1,667.8%
Total Credit Cards	25,843.74	1,461.94	24,381.80	1,667.8%
Other Current Liabilities				
2080 · Accrued Vacation	37,620.00	0.00	37,620.00	100.0%
2210 · PPP Loan	151,056.00	0.00	151,056.00	100.0%
2070 · Accrued Liabilities	219,345.46	1,260.73	218,084.73	17,298.3%
2010 · Deferred Revenue	8,026.40	0.00	8,026.40	100.0%

1:11 PM

09/24/21

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of June 30, 2021

	Jun 30, 21	Jun 30, 20	\$ Change	% Change
2100 · Payroll Liabilities				
2105 · 401K Deferred Savings Liability	0.01	0.00	0.01	100.0%
2160 · Health Insurance Withheld	-945.42	-2,427.18	1,481.76	61.1%
Total 2100 · Payroll Liabilities	-945.41	-2,427.18	1,481.77	61.1%
Total Other Current Liabilities	415,102.45	-1,166.45	416,268.90	35,686.8%
Total Current Liabilities	666,773.19	42,804.60	623,968.59	1,457.7%
Total Liabilities	666,773.19	42,804.60	623,968.59	1,457.7%
Equity				
3120 · Reserved Earnings	1,760,873.04	967,552.57	793,320.47	82.0%
3130 · Retained Earnings	1,393,900.66	1,586,777.19	-192,876.53	-12.2%
Net Income	2,099,484.84	-283,718.25	2,383,203.09	840.0%
Total Equity	5,254,258.54	2,270,611.51	2,983,647.03	131.4%
TOTAL LIABILITIES & EQUITY	5,921,031.73	2,313,416.11	3,607,615.62	155.9%

San Luis Obispo County
Visitors & Conference Bureau
2021-2022 Financial Summary - July

Income	This Month	Budgeted for Month	MTD Variance	% Variance	MTD % of Total Income/ Expenses	FISCAL YTD	Budget YTD	YTD Variance	% Variance	YTD % of Total Income/ Expenses
Web & Ticket Revenue	\$ 170	\$ 800	\$ (630)	-78.80%	0.02%	\$ 170	\$ 800	\$ (630)	-78.80%	0.02%
Co-op Revenue	\$ 252	\$ 252	\$ -	0.00%	0.02%	\$ 252	\$ 252	\$ -	0.00%	0.02%
Interest Income	\$ (133)	\$ 2,693	\$ (2,826)	-104.95%	-0.01%	\$ (133)	\$ 2,693	\$ (2,826)	-104.95%	-0.01%
TMD Income										
Collected from Prior Year Assessments	\$ 214,414	\$ 108,641	\$ 105,773	97.36%	20.46%	\$ 214,414	\$ 108,641	\$ 105,773	97.36%	20.46%
Arroyo Grande	\$ 23,052	\$ 23,052	\$ -	0.00%	2.20%	\$ 23,052	\$ 23,052	\$ -	0.00%	2.20%
Atascadero **	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -	0.00%	0.00%
Grover Beach	\$ 8,110	\$ 8,110	\$ -	0.00%	0.77%	\$ 8,110	\$ 8,110	\$ -	0.00%	0.77%
Morro Bay	\$ 77,139	\$ 77,139	\$ -	0.00%	7.36%	\$ 77,139	\$ 77,139	\$ -	0.00%	7.36%
Paso Robles	\$ 116,612	\$ 116,612	\$ -	0.00%	11.13%	\$ 116,612	\$ 116,612	\$ -	0.00%	11.13%
Pismo Beach	\$ 218,442	\$ 218,442	\$ -	0.00%	20.84%	\$ 218,442	\$ 218,442	\$ -	0.00%	20.84%
City of San Luis Obispo	\$ 132,777	\$ 132,777	\$ -	0.00%	12.67%	\$ 132,777	\$ 132,777	\$ -	0.00%	12.67%
Unincorporated SLO County	\$ 257,276	\$ 257,276	\$ -	0.00%	24.55%	\$ 257,276	\$ 257,276	\$ -	0.00%	24.55%
Adjustment for Actual TMD Collected	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -	0.00%	0.00%
Total TMD Income	\$ 1,047,823	\$ 942,050	\$ 105,773	11.23%	99.97%	\$ 1,047,823	\$ 942,050	\$ 105,773	11.23%	99.97%
Total Income	\$ 1,048,111	\$ 945,795	\$ 102,316	10.82%	100.00%	\$ 1,048,111	\$ 945,795	\$ 102,316	10.82%	100.00%
** District pays quarterly										
Expenses										
Contingency Reserve	\$ 52,400	\$ 47,142	\$ 5,257	11.15%	7.68%	\$ 52,400	\$ 47,142	\$ 5,257	11.15%	7.68%
G&A	\$ 36,165	\$ 36,253	\$ (88)	-0.24%	5.30%	\$ 36,165	\$ 36,253	\$ (88)	-0.24%	5.30%
Industry Research and Resources	\$ 28,722	\$ 26,000	\$ 2,722	10.47%	4.21%	\$ 28,722	\$ 26,000	\$ 2,722	10.47%	4.21%
Travel Trade	\$ 25,554	\$ 32,978	\$ (7,424)	-22.51%	3.75%	\$ 25,554	\$ 32,978	\$ (7,424)	-22.51%	3.75%
Communications	\$ 9,739	\$ 17,002	\$ (7,264)	-42.72%	1.43%	\$ 9,739	\$ 17,002	\$ (7,264)	-42.72%	1.43%
Advertising	\$ 466,493	\$ 627,489	\$ (160,995)	-25.66%	68.41%	\$ 466,493	\$ 627,489	\$ (160,995)	-25.66%	68.41%
Promotions & Events	\$ 6,476	\$ 8,972	\$ (2,496)	-27.82%	0.95%	\$ 6,476	\$ 8,972	\$ (2,496)	-27.82%	0.95%
Digital Marketing	\$ 42,453	\$ 55,053	\$ (12,600)	-22.89%	6.23%	\$ 42,453	\$ 55,053	\$ (12,600)	-22.89%	6.23%
Film Commission	\$ -	\$ 83	\$ (83)	-100.00%	0.00%	\$ -	\$ 83	\$ (83)	-100.00%	0.00%
Engagement & Advocacy	\$ 13,938	\$ 15,062	\$ (1,124)	-7.46%	2.04%	\$ 13,938	\$ 15,062	\$ (1,124)	-7.46%	2.04%
Total Expenses	\$ 681,938	\$ 866,033	\$ (184,094)	-21.26%	100.00%	\$ 681,938	\$ 866,033	\$ (184,094)	-21.26%	100.00%
Surplus(Deficit)	\$ 366,173	\$ 79,762	\$ 286,411	359.08%		\$ 366,173	\$ 79,762	\$ 286,411	359.08%	
Prior Years' Surplus - FY16 to FY21						\$ 2,871,000				
Total Cumulative Surplus						\$ 3,237,173				
Cash Flow										
Surplus (Deficit)	\$ 366,173					\$ 366,173				
Beginning Cash Balance	\$ 3,747,564					\$ 3,747,564				
Change in Accounts Receivable	\$ (534,913)					\$ (534,913)				
Change in Accrued Expenses	\$ (85,244)					\$ (85,244)				
Change in Prepaid Expenses	\$ 231,928					\$ 231,928				
Change in Accounts Payable	\$ (67,002)					\$ (67,002)				
Change in Reserve Contingency	\$ 52,400					\$ 52,400				
Visit SLO CAL Cash Balances	\$ 3,710,905					\$ 3,710,905				
Contingency Reserve - 5% of Cumulative Rev.	\$ (1,794,073)					\$ (1,794,073)				
Liability on Balance Sheet										
Net Available Cash	\$ 1,916,832					\$ 1,916,832				

Notes:

- \$366k surplus for July (\$286k larger surplus than budgeted).
- \$151k in Paycheck Protection Plan Proceeds was received in March. It was recorded as a liability on the Balance Sheet until the loan is forgiven, at which time it will be recognized as Income.
- Interest Income for the month of July is negative due to market fluctuations in Morgan Stanley Certificate of Deposit accounts.
- All TMD amounts accrued through May have been collected, with the exception of City of SLO.

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of July 31, 2021

	Jul 31, 21	Jul 31, 20	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,635,533.68	335,700.36	1,299,833.32	387.2%
1020 · Bank of the Sierra - Membership	318,649.16	279,066.12	39,583.04	14.2%
1030 · Morgan Stanley - TMD	1,649,222.75	867,880.05	781,342.70	90.0%
1040 · Morgan Stanley - Membership	107,499.42	106,837.68	661.74	0.6%
Total Checking/Savings	3,710,905.01	1,589,484.21	2,121,420.80	133.5%
Accounts Receivable				
1200 · Accounts Receivable	1,850,715.73	716,553.39	1,134,162.34	158.3%
Total Accounts Receivable	1,850,715.73	716,553.39	1,134,162.34	158.3%
Other Current Assets				
1320 · Prepaid Rent	4,369.95	4,369.95	0.00	0.0%
1340 · Workman's Comp Deposit	744.40	744.40	0.00	0.0%
1350 · Prepaid Expenses	508,175.51	118,590.52	389,584.99	328.5%
1330 · Employee Advances	0.00	7.26	-7.26	-100.0%
Total Other Current Assets	513,289.86	123,712.13	389,577.73	314.9%
Total Current Assets	6,074,910.60	2,429,749.73	3,645,160.87	150.0%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	48,168.51	48,168.51	0.00	0.0%
1410 · Furniture & Fixtures	101,040.00	101,040.00	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	240,462.76	240,462.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-27,186.17	-27,186.17	0.00	0.0%
1510 · Furn. & Fixt. Accum. Depr.	-20,705.00	-20,705.00	0.00	0.0%
1515 · Leasehold Imp. Accum. Depr.	-8,931.00	-8,931.00	0.00	0.0%
1525 · Office Equip. Accum. Depr.	-36,838.00	-36,838.00	0.00	0.0%
Total 1500 · Accumulated Depreciation	-93,660.17	-93,660.17	0.00	0.0%
Total Fixed Assets	146,802.59	146,802.59	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	6,237,463.19	2,592,302.32	3,645,160.87	140.6%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	680,131.45	34,160.77	645,970.68	1,891.0%
Total Accounts Payable	680,131.45	34,160.77	645,970.68	1,891.0%
Credit Cards				
2060 · American Express Credit Card	11,537.10	3,883.83	7,653.27	197.1%
Total Credit Cards	11,537.10	3,883.83	7,653.27	197.1%
Other Current Liabilities				
2210 · PPP Loan	151,056.00	0.00	151,056.00	100.0%
2070 · Accrued Liabilities	71,055.24	28,058.00	42,997.24	153.2%
2010 · Deferred Revenue	120,274.20	0.00	120,274.20	100.0%

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08/12/21

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of July 31, 2021

	Jul 31, 21	Jul 31, 20	\$ Change	% Change
2100 · Payroll Liabilities				
2105 · 401K Deferred Savings Liability	0.01	0.00	0.01	100.0%
2160 · Health Insurance Withheld	-994.57	-1,898.57	904.00	47.6%
Total 2100 · Payroll Liabilities	-994.56	-1,898.57	904.01	47.6%
Total Other Current Liabilities	341,390.88	26,159.43	315,231.45	1,205.0%
Total Current Liabilities	1,033,059.43	64,204.03	968,855.40	1,509.0%
Total Liabilities	1,033,059.43	64,204.03	968,855.40	1,509.0%
Equity				
3120 · Reserved Earnings	1,794,072.60	988,974.78	805,097.82	81.4%
3130 · Retained Earnings	3,044,158.33	1,303,058.94	1,741,099.39	133.6%
Net Income	366,172.83	236,064.57	130,108.26	55.1%
Total Equity	5,204,403.76	2,528,098.29	2,676,305.47	105.9%
TOTAL LIABILITIES & EQUITY	6,237,463.19	2,592,302.32	3,645,160.87	140.6%

San Luis Obispo County
Visitors & Conference Bureau
2021-2022 Financial Summary - August

Income	This Month	Budgeted for Month	MTD Variance	% Variance	MTD % of Total Income/ Expenses	FISCAL YTD	Budget YTD	YTD Variance	% Variance	YTD % of Total Income/ Expenses
Web & Ticket Revenue	\$ 1,594	\$ 800	\$ 794	99.27%	0.21%	\$ 1,764	\$ 1,600	\$ 164	10.24%	0.11%
Co-op Revenue	\$ 25,252	\$ 82,752	\$ (57,500)	-69.48%	3.35%	\$ 25,504	\$ 83,004	\$ (57,500)	-69.27%	1.61%
Interest Income	\$ (18)	\$ 1,093	\$ (1,111)	-101.67%	0.00%	\$ (152)	\$ 3,786	\$ (3,938)	-104.00%	-0.01%
TMD Income										
Collected from Prior Year Assessments	\$ -	\$ 157,532	\$ (157,532)	-100.00%	0.00%	\$ -	\$ 266,173	\$ (266,173)	-100.00%	0.00%
Arroyo Grande	\$ 19,264	\$ 19,264	\$ -	0.00%	2.56%	\$ 42,316	\$ 42,316	\$ -	0.00%	2.67%
Atascadero **	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -	0.00%	0.00%
Grover Beach	\$ 6,034	\$ 6,034	\$ -	0.00%	0.80%	\$ 14,144	\$ 14,144	\$ -	0.00%	0.89%
Morro Bay	\$ 75,401	\$ 75,401	\$ -	0.00%	10.02%	\$ 152,541	\$ 152,541	\$ -	0.00%	9.62%
Paso Robles	\$ 100,834	\$ 100,834	\$ -	0.00%	13.40%	\$ 217,446	\$ 217,446	\$ -	0.00%	13.71%
Pismo Beach	\$ 188,734	\$ 188,734	\$ -	0.00%	25.07%	\$ 407,176	\$ 407,176	\$ -	0.00%	25.67%
City of San Luis Obispo	\$ 118,255	\$ 118,255	\$ -	0.00%	15.71%	\$ 251,033	\$ 251,033	\$ -	0.00%	15.82%
Unincorporated SLO County	\$ 217,398	\$ 217,398	\$ -	0.00%	28.88%	\$ 474,674	\$ 474,674	\$ -	0.00%	29.92%
Adjustment for Actual TMD Collected	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -	0.00%	0.00%
Total TMD Income	\$ 725,920	\$ 883,452	\$ (157,532)	-17.83%	96.44%	\$ 1,559,329	\$ 1,825,502	\$ (266,173)	-14.58%	207.15%
Total Income	\$ 752,748	\$ 968,097	\$ (215,349)	-22.24%	100.00%	\$ 1,586,446	\$ 1,913,892	\$ (327,447)	-17.11%	100.00%
** District pays quarterly										
Expenses										
Contingency Reserve	\$ 36,376	\$ 44,213	\$ (7,837)	-17.73%	5.75%	\$ 78,055	\$ 91,355	\$ (13,300)	-14.56%	5.42%
G&A	\$ 26,002	\$ 22,691	\$ 3,311	14.59%	4.11%	\$ 62,555	\$ 58,943	\$ 3,611	6.13%	4.34%
Industry Research and Resources	\$ 27,878	\$ 32,835	\$ (4,957)	-15.10%	4.41%	\$ 57,470	\$ 58,835	\$ (1,365)	-2.32%	3.99%
Travel Trade	\$ 24,836	\$ 43,630	\$ (18,794)	-43.08%	3.92%	\$ 50,390	\$ 76,608	\$ (26,218)	-34.22%	3.50%
Communications	\$ 17,426	\$ 15,112	\$ 2,314	15.31%	2.75%	\$ 27,165	\$ 32,115	\$ (4,950)	-15.41%	1.89%
Advertising	\$ 441,029	\$ 707,587	\$ (266,558)	-37.67%	69.69%	\$ 1,029,022	\$ 1,335,076	\$ (306,054)	-22.92%	71.46%
Promotions & Events	\$ 7,980	\$ 13,986	\$ (6,006)	-42.94%	1.26%	\$ 14,658	\$ 22,957	\$ (8,299)	-36.15%	1.02%
Digital Marketing	\$ 36,379	\$ 60,441	\$ (24,062)	-39.81%	5.75%	\$ 91,765	\$ 115,494	\$ (23,728)	-20.55%	6.37%
Film Commission	\$ 325	\$ 338	\$ (13)	-3.94%	0.05%	\$ 325	\$ 422	\$ (97)	-22.92%	0.02%
Engagement & Advocacy	\$ 14,595	\$ 55,057	\$ (40,461)	-73.49%	2.31%	\$ 28,533	\$ 70,118	\$ (41,585)	-59.31%	1.98%
Total Expenses	\$ 632,827	\$ 995,890	\$ (363,063)	-36.46%	100.00%	\$ 1,439,937	\$ 1,861,922	\$ (421,985)	-22.66%	100.00%
Surplus(Deficit)	\$ 119,922	\$ (27,793)	\$ 147,714	531.49%		\$ 146,509	\$ 51,970	\$ 94,539	181.91%	
Prior Years' Surplus - FY16 to FY21						\$ 3,249,000				
Total Cumulative Surplus						\$ 3,395,509				

Cash Flow		
Surplus (Deficit)	\$ 119,922	\$ 146,509
Beginning Cash Balance	\$ 3,710,905	\$ 3,747,564
Change in Accounts Receivable	\$ 471,217	\$ 130,717
Change in Accrued Expenses	\$ (144,503)	\$ (201,414)
Change in Prepaid Expenses	\$ 9,303	\$ (149,019)
Change in Accounts Payable	\$ (231,829)	\$ 218,978
Change in Reserve Contingency	\$ 36,376	\$ 78,055
Visit SLO CAL Cash Balances	\$ 3,971,390	\$ 3,971,390
Contingency Reserve - 5% of Cumulative Rev.	\$ (1,819,728)	\$ (1,819,728)
Liability on Balance Sheet		
Net Available Cash	\$ 2,151,662	\$ 2,151,662

Notes:

- \$120k surplus for August (\$148k larger surplus than budgeted). \$147k surplus year to date (\$95k larger surplus than budgeted).
- At our auditors' request, we have changed the method of booking May and June TMD revenue adjustments. They are budgeted in July and August, but effective now we will be holding the books open to recognize them in June (the correct fiscal year). \$288,000 in prior year assessments were received in August - that amount is now included in the Prior Years' Surplus Line Item.
- \$151k in Paycheck Protection Plan Proceeds was received in March. It was recorded as a liability on the Balance Sheet until the loan is forgiven, at which time it will be recognized as Income.
- Interest Income for the month of August is negative due to market fluctuations in Morgan Stanley Certificate of Deposit accounts.
- All TMD amounts accrued through June have been collected.

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of August 31, 2021

	Aug 31, 21	Aug 31, 20	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,694,817.21	525,158.04	1,169,659.17	222.7%
1020 · Bank of the Sierra - Membership	352,471.95	281,741.25	70,730.70	25.1%
1030 · Morgan Stanley - TMD	1,649,178.59	868,272.91	780,905.68	89.9%
1040 · Morgan Stanley - Membership	107,503.98	106,849.01	654.97	0.6%
Total Checking/Savings	3,803,971.73	1,782,021.21	2,021,950.52	113.5%
Accounts Receivable				
1200 · Accounts Receivable	1,667,458.29	947,083.14	720,375.15	76.1%
Total Accounts Receivable	1,667,458.29	947,083.14	720,375.15	76.1%
Other Current Assets				
1320 · Prepaid Rent	4,369.95	4,369.95	0.00	0.0%
1340 · Workman's Comp Deposit	744.40	744.40	0.00	0.0%
1350 · Prepaid Expenses	382,122.71	111,315.58	270,807.13	243.3%
1330 · Employee Advances	0.00	7.26	-7.26	-100.0%
1499 · Undeposited Funds	272,417.83	0.00	272,417.83	100.0%
Total Other Current Assets	659,654.89	116,437.19	543,217.70	466.5%
Total Current Assets	6,131,084.91	2,845,541.54	3,285,543.37	115.5%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	48,168.51	48,168.51	0.00	0.0%
1410 · Furniture & Fixtures	101,040.00	101,040.00	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	240,462.76	240,462.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdw/Sftwr. Acc. Depr.	-27,186.17	-27,186.17	0.00	0.0%
1510 · Furn. & Fixt. Accum. Depr.	-20,705.00	-20,705.00	0.00	0.0%
1515 · Leasehold Imp. Accum. Depr.	-8,931.00	-8,931.00	0.00	0.0%
1525 · Office Equip. Accum. Depr.	-36,838.00	-36,838.00	0.00	0.0%
Total 1500 · Accumulated Depreciation	-93,660.17	-93,660.17	0.00	0.0%
Total Fixed Assets	146,802.59	146,802.59	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	6,293,637.50	3,008,094.13	3,285,543.37	109.2%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	469,569.35	51,072.51	418,496.84	819.4%
Total Accounts Payable	469,569.35	51,072.51	418,496.84	819.4%
Credit Cards				
2060 · American Express Credit Card	1,079.87	7,982.30	-6,902.43	-86.5%
Total Credit Cards	1,079.87	7,982.30	-6,902.43	-86.5%
Other Current Liabilities				
2210 · PPP Loan	151,056.00	0.00	151,056.00	100.0%
2070 · Accrued Liabilities	32,819.00	55,210.58	-22,391.58	-40.6%
2010 · Deferred Revenue	127,522.00	0.00	127,522.00	100.0%

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09/24/21

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of August 31, 2021

	Aug 31, 21	Aug 31, 20	\$ Change	% Change
2100 · Payroll Liabilities				
2105 · 401K Deferred Savings Liability	0.01	0.00	0.01	100.0%
2160 · Health Insurance Withheld	-1,176.23	-597.51	-578.72	-96.9%
Total 2100 · Payroll Liabilities	-1,176.22	-597.51	-578.71	-96.9%
Total Other Current Liabilities	310,220.78	54,613.07	255,607.71	468.0%
Total Current Liabilities	780,870.00	113,667.88	667,202.12	587.0%
Total Liabilities	780,870.00	113,667.88	667,202.12	587.0%
Equity				
3120 · Reserved Earnings	1,819,727.63	1,017,777.06	801,950.57	78.8%
3130 · Retained Earnings	3,546,531.19	1,303,058.94	2,243,472.25	172.2%
Net Income	146,508.68	573,590.25	-427,081.57	-74.5%
Total Equity	5,512,767.50	2,894,426.25	2,618,341.25	90.5%
TOTAL LIABILITIES & EQUITY	6,293,637.50	3,008,094.13	3,285,543.37	109.2%

ANNUAL REPORT

FY 2021



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Visit SLO CAL (VSC) is a team of destination marketing professionals who work with, and on behalf of, our community, our local partners and our investors to promote SLO CAL® (San Luis Obispo County, California) to both domestic and international visitors. As the countywide non-profit destination marketing and management organization (DMMO) for SLO CAL, VSC's goal is to collaborate with partners to build the SLO CAL brand through a data-driven, efficient and dynamic marketing and sales program while also enhancing the resident quality of life. Built on research with a strategy of continuous improvement, VSC aims to establish SLO CAL as a favorite West Coast destination known for its signature slower pace of life and unique mix of incredible, immersive guest experiences.

LETTER FROM THE PRESIDENT & CEO

Dear Visit SLO CAL Investors, Partners & Stakeholders,

As we wrap up FY 2021, we'd like to take a moment to reflect on all that has been accomplished.

While this past year has had its own unique challenges, SLO CAL has outperformed its competitive set of Santa Barbara, Monterey, Napa and Sonoma in almost every way. Occupancy, average daily rate (ADR) and revenue per available room (RevPAR) all, on average, recovered better in SLO CAL than in those other markets. We advertised when the timing was right, launching a \$1.8 million campaign that included \$1 million in media placements from February to June.

Along the way, we actively supported the industry, weathering a sudden Highway 1 closure, supporting our investors, partners and stakeholders with directional resources for consumers; successfully advocating for vaccine allocations for hospitality workers; informing and assisting our investors and partners throughout the reopening process; and providing a unified voice to advocate for the needs of our industry. We partnered with Xplorit, an award-winning virtual site inspection company, to create a fully immersive destination experience that will launch in winter 2021 and will feature all of our local destinations. We also welcomed new direct air service from Portland and the relaunch of direct service from San Diego.

Equity, diversity and inclusion (EDI) efforts have remained a key priority for us as we work to build a more inclusive organization and destination and bring the authentic faces and stories of our community to life through our marketing efforts. In June, we initiated a combined EDI Audience and Asset Alignment Study and Future Visitor Profile Study with SMARInsights to inform our future work.

In preparation for FY 2022, we hired the gold standard in California tourism marketing—Mering—as our agency of record and added Cathy Cartier, one of the sharpest minds in destination marketing, as chief marketing officer. Mering will lead the evolution of the SLO CAL brand through a countywide asset production shoot as we work to capture new still images and video. These efforts will pave the way for the launch of our most ambitious advertising and marketing campaign to date, a \$2.6 million feeder market advertising spend, complementing an aggressive sales strategy.

We will also continue to advance key Experience SLO CAL 2050 initiatives, focused on maintaining and improving resident quality of life while increasing the positive impacts of tourism in SLO CAL.

Although we have faced challenges and uncertainties in the face of COVID-19, we are proud of the accomplishments of this past year. Together we are building a more resilient tourism industry and we are excited to partner with you in these efforts!

All the best,



Chuck Davison, CDME
President & CEO
Visit SLO CAL



BOARD, COMMITTEES & TEAM

BOARD OF DIRECTORS

CLINT PEARCE

Chair | Madonna Enterprises | Atascadero, San Luis Obispo
Elected Designated At-Large Seat (—June 2022)

HEMANT PATEL

Vice Chair | 805 Hospitality | Morro Bay, Paso Robles, San Luis Obispo, Unincorporated Area
Appointed Morro Bay Seat (—June 2023)

MARK EADS

Secretary | SeaVenture Beach Hotel | Pismo Beach
Elected Designated At-Large Seat (—June 2022)

AARON GRAVES

Treasurer | EverlyGrove Hotel Brokers | Unincorporated Area
Elected Designated At-Large Seat (—June 2023)

AMAR SOHI

At-Large Member | Holiday Inn Express Hotel & Suites | Atascadero
Appointed Atascadero Seat (—June 2023)

ALMA AYON

Sundance Bed & Breakfast | Paso Robles
Elected Designated Bed & Breakfast Seat (—June 2024)

JEDIDIAH BICKEL

SeaCrest OceanFront Hotel | Pismo Beach
Appointed Pismo Beach Seat (—June 2024)

KATHLEEN BONELLI*

Paso Robles Vacation Rentals | Paso Robles
Elected Designated Vacation Rental Seat (—June 2022)

JOHN CONNER

Petit Soleil | San Luis Obispo
Appointed San Luis Obispo Seat (—June 2023)

JIM HAMILTON

County of San Luis Obispo
Appointed County At-Large Seat (—June 2023)

JAY JAMISON

Pismo Coast Village | Pismo Beach
Elected Designated RV Park Seat (—June 2022)

TONI LEGRAS

Beachside Rentals | Unincorporated Area
Appointed Unincorporated Area Seat (—June 2022)

SAM MILLER

Holiday Inn Express | Grover Beach
Appointed Grover Beach Seat (—June 2024)

AMIT PATEL

New Horizon Associates | Morro Bay | Pismo Beach | San Luis Obispo
Elected Designated At-Large Seat (—June 2024)

NIPOOL PATEL

Lamplighter Inn & Suites | San Luis Obispo
Elected Designated At-Large Seat (—June 2022)

VICTOR POPP

La Quinta Inn & Suites | Paso Robles
Appointed Paso Robles Seat (—June 2024)

Open Seat | Arroyo Grande

Appointed Arroyo Grande Seat (—June 2021)

MARKETING COMMITTEE

ASHLEE AKERS

Partner & VP of Client Services | Verdin (—June 2023)

JIM ALLEN

Director of Marketing & Communications | Hearst Castle (—June 2022)

AUDREY ARELLANO

Brand Manager | Cambria Inns Collection (—June 2023)

TERRIE BANISH**

Deputy City Manager—Marketing/Promotions/Events | City of Atascadero

JOCELYN BRENNAN**

President & CEO | South County Chambers of Commerce

MOLLY CANO**

Tourism Manager | City of San Luis Obispo

CHERYL CUMING**

Chief Administrative Officer | Unincorporated CBID

GORDON JACKSON**

Executive Director | Pismo Beach CVB

STACIE JACOB**

Executive Director | Travel Paso

LORI KELLER

President/Principal | Blu Hotel Management (—June 2024)

KATHLEEN NAUGHTON

Executive Director | SLO Coast Wine Collective (—June 2024)

JOEL PETERSON

Executive Director | Paso Robles Wine Country Alliance (—June 2023)

LINDSEY ROBERTS

Director of Marketing | Martin Resorts (—June 2024)

JOHN SORGENFREI

President & Owner | TJA Advertising (—June 2022)

JILL TWEEDIE

Founder & President | Breakaway Tours Wine & Events (—June 2022)

MICHAEL WAMBOLT**

Executive Director | Visit Morro Bay

*Resigned September 2021 **Destination Partner

TEAM



CHUCK DAVISON
President & CEO



CATHY CARTIER
Chief Marketing Officer



BRENDAN PRINGLE
Director of Operations



VANESSA RODRIGUEZ
Digital Marketing Manager



KYLA BOAST
Associate Director of Sales



ASHLEY MASTAKO
Partner Engagement Manager



MELISSA MURRAY
*Project Manager,
Destination Management*



ERIC PARKER
Digital & Marketing Specialist

NOT PICTURED

ANNIE FREW
*Director of Community
Engagement & Advocacy*

KATIE LOVELACE
Brand Marketing Coordinator

ADVISORY COMMITTEE

WADE HORTON
County Administrative Officer | County of San Luis Obispo

LYNN COMPTON
Supervisor, District 4 | County of San Luis Obispo

WHITNEY MCDONALD
City Manager | City of Arroyo Grande

LAN GEORGE
Councilmember | City of Arroyo Grande

RACHELLE RICKARD
City Manager | City of Atascadero

HEATHER NEWSOM
Mayor Pro Tem | City of Atascadero

MATTHEW BRONSON
City Manager | City of Grover Beach

DANIEL RUSHING
Councilmember | City of Grover Beach

SCOTT COLLINS
City Manager | City of Morro Bay

RED DAVIS*
Councilmember | City of Morro Bay

GREG CARPENTER
Interim City Manager | City of Paso Robles

STEVE MARTIN
Mayor | City of Paso Robles

JIM LEWIS
City Manager | City of Pismo Beach

SCOTT NEWTON
Councilmember | City of Pismo Beach

DEREK JOHNSON
City Manager | City of San Luis Obispo

HEIDI HARMON**
Mayor | City of San Luis Obispo

**In memoriam **Resigned August 2021*

STRATEGIC DIRECTION 2023

In the spring of 2020, Visit SLO CAL partnered with Coraggio Group to develop Strategic Direction 2023 (SD 2023), the strategic plan and north star by which the organization will operate over the following three years. Following the success of Strategic Direction 2020, SD 2023 was advised by 170 survey responses, a dozen investor interviews, five regional engagement sessions and four half-day work sessions that included additional opportunities for investor, partner and stakeholder feedback.



VISION

A vibrant and prosperous SLO CAL, fueled by a collaborative and flourishing tourism industry



MISSION

Inspire travel and foster our unique experiences to create lifelong ambassadors and economic growth for SLO CAL



VALUES

STEWARDSHIP

We are mindful of our resources and seek to enhance the SLO CAL lifestyle

AUTHENTICITY

We are attuned to our own well-being and strive to bring the SLO CAL brand to life

INCLUSION

We engage and collaborate with an array of voices and perspectives

DRIVE

We bring enthusiasm to our work and prioritize initiatives to achieve results

FUTURE FOCUS

We deliver today with an innovative eye on tomorrow



REPUTATION

- Visionary
- Strategic
- Collaborative
- Creative
- Responsive
- Essential



POSITION

To best support SLO CAL's tourism economy, Visit SLO CAL provides:

- Strategic research and vital tourism knowledge to investors, partners, stakeholders and communities
- A long-term, collaborative and holistic road map that enables success for our community
- High-quality and high-impact marketing and sales initiatives tailored to reach regional, national and international target markets
- Leadership in destination management and community engagement to enhance quality of life for residents and quality of experience for visitors



IMPERATIVES

Enhance Our Organizational Capacity and Culture

INITIATIVES

- Assess and refine interdepartmental communication and processes
- Develop and enable our team
- Foster an engaged and focused team culture

OBJECTIVES

- Increase mean Employee Engagement score to 3.85
- Return ratio of administrative cost to economic impact to 2019 level or higher
- Increase Team Net Promoter score to 11 or higher, and maintain
- Increase Whole Systems mean score on Systems and Processes and Capabilities and Talent sections to 3.25

Amplify and Steward the SLO CAL Brand Through Unified Efforts

INITIATIVES

- Execute a “house of brands” strategy that honors the experiences of our individual destinations
- Increase share of voice and intent to travel through targeted media strategies
- Target and nurture marketing partnerships that increase our brand awareness

OBJECTIVES

- Increase SLO CAL brand awareness year over year, as measured by advertising effectiveness and ROI (Return on Investment) study
- Increase length of stay by 0.2 days over 2019, as measured by Arrivalist
- Increase cross-visitation to 2 communities per unique arrival, as measured by Arrivalist
- Achieve mean MPV (Marketing Partnership Value) score of 4

Lead the County Tourism Industry in a Collaborative Resilience Planning Effort

INITIATIVES

- Define and activate pathways to accelerate recovery for our tourism industry
- Develop mechanisms to quickly gather, report and leverage crisis-related data
- Foster long-term resilience for our tourism industry

OBJECTIVES

- Restore annual visitor volume with growth 10% or more above statewide growth, per Visit California numbers
- Restore total air service to 80% of 2019 baseline or higher
- Outperform California tourism recovery by 5%, per Dean Runyan Economic Impact Report

Demonstrate Value to Investors, Partners, Stakeholders and Communities

INITIATIVES

- Build local awareness of Visit SLO CAL and its positive impacts
- Increase opportunities for engagement with our investors, partners and stakeholders
- Innovate in development of data resources for our tourism community
- Advance advocacy efforts to promote the value of tourism

OBJECTIVES

- Foster balanced year-over-year growth of engagement in Visit SLO CAL opportunities
- Increase investor/partner/stakeholder Net Promoter Score by 5% year-over-year
- Secure at least two local media articles annually that receive a perfect score of 10 using the Barcelona Principles scoring rubric
- Maintain community acceptance of tourism survey score at or above 2018 baseline

COVID-19 RESPONSE



As the industry navigated the impact of the COVID-19 pandemic, Visit SLO CAL worked closely with their investors, partners and stakeholders, keeping them informed with the latest guidelines and data insights and advocating on their behalf. When the county reopened, VSC boosted their spring media spend to position the industry for success.

RELAUNCH & RECOVERY

VSC communicated closely with county officials as the organization relaunched paid media efforts, aligning this relaunch with that of Visit California. As part of the FY 2021 budget reforecast, and in an effort to advance tourism recovery, VSC reallocated \$600,000 in surplus funds conserved during the pandemic to increase their total spring media budget, spending over \$1 million on media from February to June. Additionally, VSC applied for and received more than \$151,000 in PPP funding to offset operational expenses, allowing the organization to shift additional revenue toward recovery efforts.

ADVOCACY

VSC continued their regular contact with county leadership regarding the impact of the pandemic on the tourism industry and worked diligently over the course of several months on designated vaccine prioritization and appointments. In January, VSC partnered with CalTravel to advocate for the development of a statewide reopening plan for meetings and conferences, contributing to the sponsorship of a strategic communication consultant. In April, VSC reached an agreement with the County to offer 1,200 lodging-employees-only vaccine time slots, which was later extended to employees of wineries, breweries, distilleries, attractions and other hospitality partners. Staff aggressively advocated for a tourism recovery stimulus at the state level, which was ultimately added to the state budget in the form of a \$95 million stimulus.



DATA INSIGHTS

VSC worked with Tourism Economics to develop and refine a new monthly report focused specifically on the SLO CAL tourism industry's recovery and how it compares with the destination's competitive set. The COVID-19 Recovery Tracker is accessible to investors, partners and stakeholders through their SLO CAL Connection portal.

INVESTOR, PARTNER & STAKEHOLDER COMMUNICATION

VSC closely monitored San Luis Obispo County's COVID-19 reporting metrics and state guidelines in order to provide immediate email updates to investors and partners as tier changes were announced by the governor, and continued to offer resources throughout the phased reopening process. VSC hosted regular SLO CAL Tourism Task Force calls with local destination partners and wine association leaders to communicate key updates and to ensure that countywide marketing, communications and advocacy efforts were fully aligned. VSC also developed a jobs board for investors and partners to get the word out in the face of a critical hospitality labor shortage.

LODGING DAYS: VACCINE APPOINTMENTS SPECIFICALLY AVAILABLE FOR SLO COUNTY LODGING EMPLOYEES TO STAY OPEN AND SAFE

In an effort to ensure lodging workers can get the COVID-19 vaccine, Visit SLO CAL and the County are partnering to coordinate large blocks of free vaccine appointments specifically for the lodging community. Appointments will be available during designated days and times for lodging employees only. These lodging appointment events will include Spanish-language and Mixteco-language interpreters who work closely with Latinx and Indigenous communities.

LODGING EMPLOYEES CAN REGISTER TODAY FOR THEIR FREE FIRST VACCINE DOSE AT THE QR CODE ABOVE FOR ONE OF THE FOLLOWING DATES AND LOCATIONS:

- TUESDAY 4/13, 9-11am- at Cuesta College Clinic, Hwy 1, San Luis Obispo (400 appointments available) – Johnson & Johnson one dose vaccine
- WEDNESDAY 4/14, 9-11am- at Arroyo Grande Clinic, 800 W. Branch St. AG (400 appointments available) – Johnson & Johnson one dose vaccine
- TUESDAY 4/20, 9-11am- at Paso Robles Events Center, 2198 Riverside Ave, Paso Robles (400 appointments available) – vaccine type TBD*
- WEDNESDAY 4/21, 9-11am- at TBD (400 appointments available) – vaccine type TBD*

Please note: a medical form will be available to fill out when you register for your appointment. To make your appointment as efficient as possible, please fill out the medical form prior to your scheduled time and bring it to your appointment. If employees need help with the form, the on-site interpreters can help. For questions about the Lodging Days program, please call Visit SLO CAL at (805) 541-8000 x109

WHY TOURISM MATTERS

CY 2020 IMPACTED BY COVID-19

TRAVEL spending
\$1.19B

\$3.3M
a day

\$136K
an hour

\$2.3K
a minute

\$38
a second



TOURISM PUTS



10,450

PEOPLE TO WORK EACH DAY

TOURISM CONTRIBUTED

\$35.9M



15.6%
YOY DECREASE

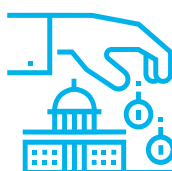
IN TRANSIENT OCCUPANCY TAX REVENUE



OUTPAID
STATEWIDE
TOURISM
RECOVERY
by 25%

WITHOUT TOURISTS
EACH SLO CAL HOUSEHOLD
WOULD NEED TO SPEND **\$11,121**
TO CREATE THE SAME ECONOMIC BENEFIT
for the community

WITHOUT STATE & LOCAL TAX REVENUE
GENERATED BY TRAVEL & TOURISM
EACH SLO CAL HOUSEHOLD WOULD
PAY AN ADDITIONAL



\$1,113 in taxes

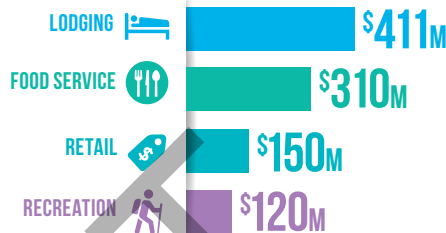


INDUSTRY

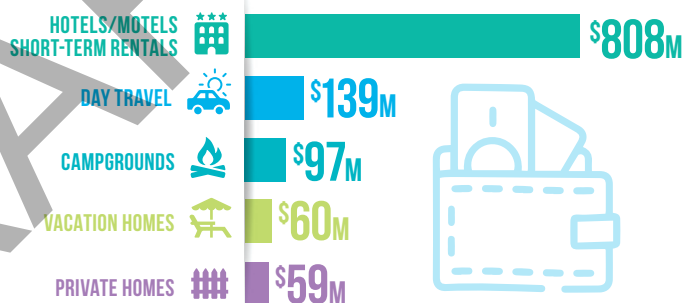
earnings

\$661M

DIRECT SPENDING BY SECTOR



DIRECT SPENDING BY ACCOMMODATION TYPE



TRAVEL
SPENDING
CREATED

\$66M

IN DIRECT
COMMUNITY
INVESTMENT

which could cover the expenses for

614 POLICE OFFICERS' SALARIES

OR

760 FIREFIGHTERS' SALARIES

OR

1,401 TEACHERS' SALARIES

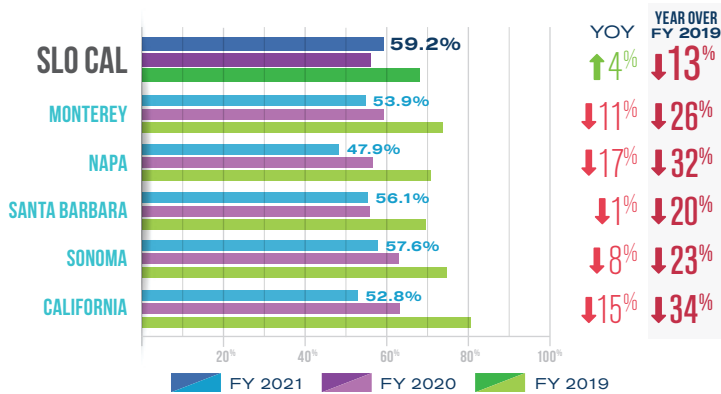
OR

106 MILES OF 2-LANE RESURFACED ROADS

TOURISM
COMPRISES

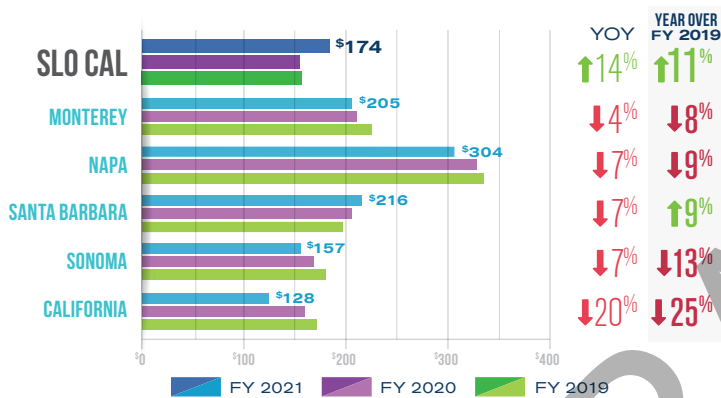
6.0% OF COUNTYWIDE GDP

HOTEL OCCUPANCY (OCC)

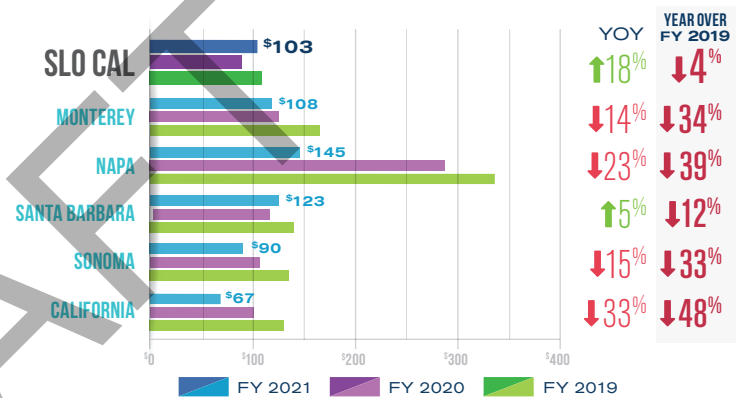


FY 2021 COMPARISONS

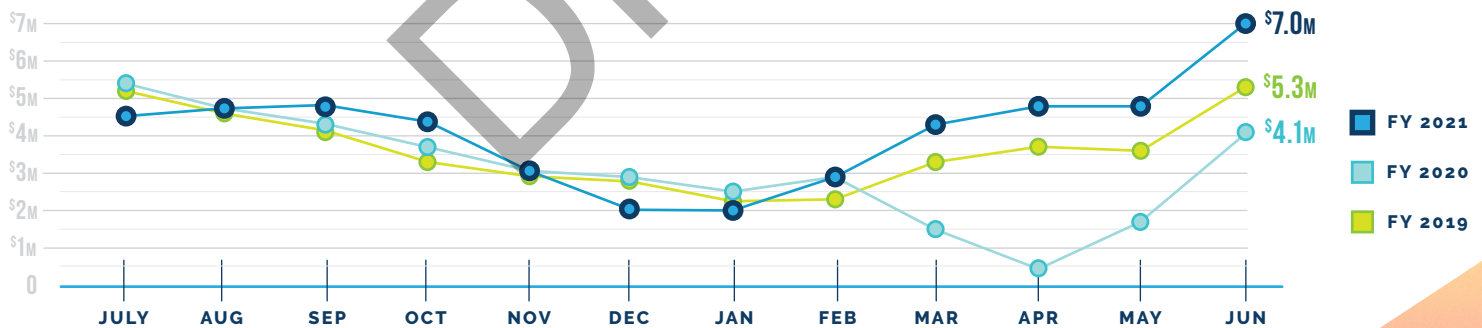
AVERAGE DAILY RATE (ADR)



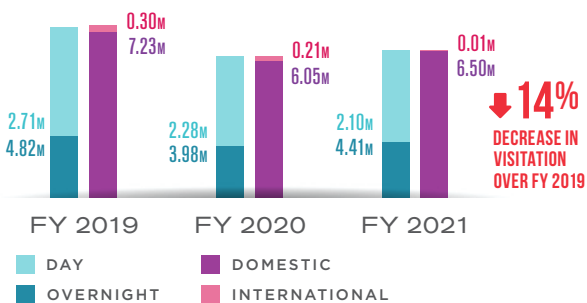
REVENUE PER AVAILABLE ROOM (REVPAR)



TRANSIENT OCCUPANCY TAX (TOT)



VISITOR VOLUME



SALES

In FY 2021, Visit SLO CAL shifted their traditional sales strategy to a more in-state approach, targeting California state and regional associations and corporate businesses in SLO CAL's drive markets. Additionally, VSC shifted their international tour and travel sales efforts to focus on educating tour operators and travel advisers who sell domestic travel to California. VSC's partnership with Black Diamond in the UK and Ireland was put on hold as international travel remained closed.

EVENTS*

2020 SEPTEMBER

GoWest Summit (Fall)**

OCTOBER

AG & Culinary Destination Presentation

Travel Weekly's Western U.S. Travel Agent Trade Show

NOVEMBER

National Tour Association's Travel Exchange

DECEMBER

Luxury Travel Forum (Winter)

CalSAE Seasonal Spectacular

MARCH

GoWest Summit (Spring)

UK Spotlight (Sales Mission)

APRIL

Luxury Travel Forum (Spring)

Mexican Buyers Spotlight (Sales Mission)

MAY

UK Virtual Familiarization Tour

AAA AdventureFest

29

APPOINTMENTS

6

VIRTUAL
TRADE SHOWS

191

LEADS***

396

BUYERS TRAINED

11

DIRECT ROOM
NIGHT
CONTRACTS

*All FY 2021 trade programs were virtual.

**GoWest 2020 was rescheduled from March 2020 to September 2020 due to COVID-19.

***Lead: A connection or opportunity provided to local investors and partners to book business, promote their companies or host travel buyers and meeting planners to experience their products.



EARNED MEDIA

In FY 2021, Visit SLO CAL worked hand in hand with Visit California, local destination partners, investors and partners to engage with members of the press through drive market and national media mailers, Instagram takeovers of editorial outlets, proactive pitching, individual familiarization (FAM) tours and a Portland influencer FAM. VSC partnered with TURNER PR domestically to increase SLO CAL's share of voice, generating more than \$5.5 million in earned media value. Earned media efforts focused on key regional drive markets due to the COVID-19 pandemic. As with sales, international PR efforts were put on hold as international travel was closed.

NOTABLE ARTICLES

DOMESTIC



134 ARTICLES

\$5.5M AD VALUE EQUIVALENCY

1.4B IMPRESSIONS

LOCAL



22 ARTICLES

\$67k AD VALUE EQUIVALENCY

7.3M IMPRESSIONS

TOTAL

156 ARTICLES

\$5.6M AD VALUE EQUIVALENCY

1.4B IMPRESSIONS

AZ CENTRAL

"Driving California Highway 1: Best Things to Do Near San Luis Obispo"

TRIPSAVVY

"The Best Small Town in Every State"

LONELY PLANET

"Relax and De-Stress at These 9 Top California Hot Springs"

LOS ANGELES TIMES

"Stunning Views, Miles of Trails Greet Hikers at Pismo Beach's Newest Preserve"

TRAVEL + LEISURE

"California's Rugged Central Coast Is a Bird-watcher's Paradise"

THRILLIST

"14 Reasons to Drive to San Luis Obispo"

USA TODAY

"With Vaccinated Grandparents, Skip-Gen Vacations are Gaining Popularity"

AFAR

"Why Cambria Is Central California's Most Relaxing Weekend Break"

THE NEW YORK TIMES

"Immerse Yourself in Indigenous Culture"

SFGATE

"A California Pasta Destination That's Breaking From the Old World Mold"

azcentral.

tripsavvy



Los Angeles Times

TRAVEL+LEISURE

thrillist

USA TODAY

AFAR

The New York Times

SFGATE

Portland Influencer FAM

To promote the new direct flight service from Portland to SLO CAL, Visit SLO CAL invited five select Portland influencers to be passengers on the June 17 inaugural flight and share their journey with their fans. The PDX influencer program saw great results. Combined social media efforts totaled 174 Instagram posts, 226,000 impressions, a 12.82% engagement rate and 10,900 total engagements, which increased both the visibility and positioning of SLO CAL as an accessible destination for Portlanders.



OWNED MEDIA



In FY 2021, Visit SLO CAL leaned heavily on compelling visuals to inspire, educate and engage travelers. Video promotions using local, authentic storytelling were shared simultaneously across all social channels and included links back to SLOCAL.com to capture user engagement and facilitate partner handoffs. When faced with advertising restrictions at the peak of the pandemic, owned channels remained on and pivoted to dreaming of future leisure travel to SLO CAL.

FY 2021 SLOCAL.COM SNAPSHOT



*Tracking for engaged sessions was not implemented in FY 2019.

**A scroll tracking issue in 2019 was artificially lowering the bounce rate, so there is not an accurate comparison to FY 2019. However, the bounce rate is in line with the destination marketing organization industry average.

SOCIAL



FOLLOWING 34% ↑

FY 2021 125,567

FY 2019 93,869

CLICKS 12% ↑

FY 2021 309,902

FY 2019 277,019

INDUSTRY TERMS

Sessions: A group of user interactions with a website that takes place within a given time frame

Bounce Rate: The percentage of sessions to the website that navigate away from the site after the user views only one page

Engaged Session: A website session (on SLOCAL.com) that has met the following criteria: Session duration is greater than 90 seconds, and user has done at least one of the following: 1) visited two or more pages during the session, 2) subscribed to the eNewsletter, 3) requested a Visitor Magazine, 4) clicked "Visit Website" or "Book Now," or 5) clicked on the phone number on a partner listing

Qualified Session: A website session (on SLOCAL.com) that has met the following criteria: User subscribed to the eNewsletter or requested a Visitor Magazine or clicked "Visit Website" or "Book Now" or clicked on the phone number on a partner listing

Partner Referral: A click on a partner link, or the "Visit Website," "Book Now," or phone number on the partner listing

PAID MEDIA

Visit SLO CAL worked closely with Miles Partnership to execute an always-on and phased-recovery approach to paid advertising efforts during the pandemic. By shifting the focus away from targeting specific personas (Active Adventurer, Mom to the Max and Cultured Class), the campaign targeted a more qualified audience with the highest propensity to travel. To create greater cost-efficiencies while being mindful of recovery, target markets shifted to California drive markets and prioritized Los Angeles and San Francisco. VSC participated in fall and spring co-ops with Visit California (VCA) and incorporated VCA's trip motivators of Recharge and Immerse into all tactics of their overall campaign. As a preliminary phase in our House of Brands strategy, VSC added geotag locations in advertisements to showcase featured locations.

According to Arrivalist, in FY 2021, paid media resulted in an 85% lift in arrivals and a 18.2% lift in length of stay compared to the control group that was not exposed with the campaign.

FY 2021 PAID MEDIA SNAPSHOT

\$1.8M
SPEND

1.1M
CLICKS

131k
IMPRESSIONS

98% **7% ↑**
OVER FY 2019
CONNECTED TV VIDEO
COMPLETION RATE

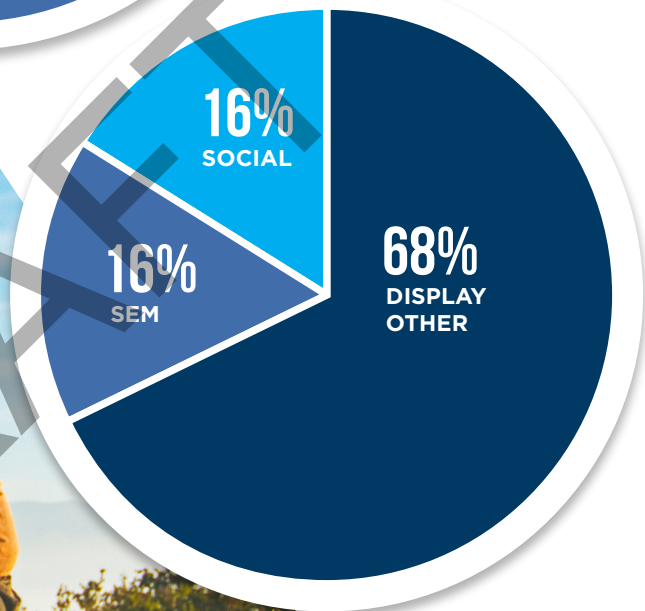
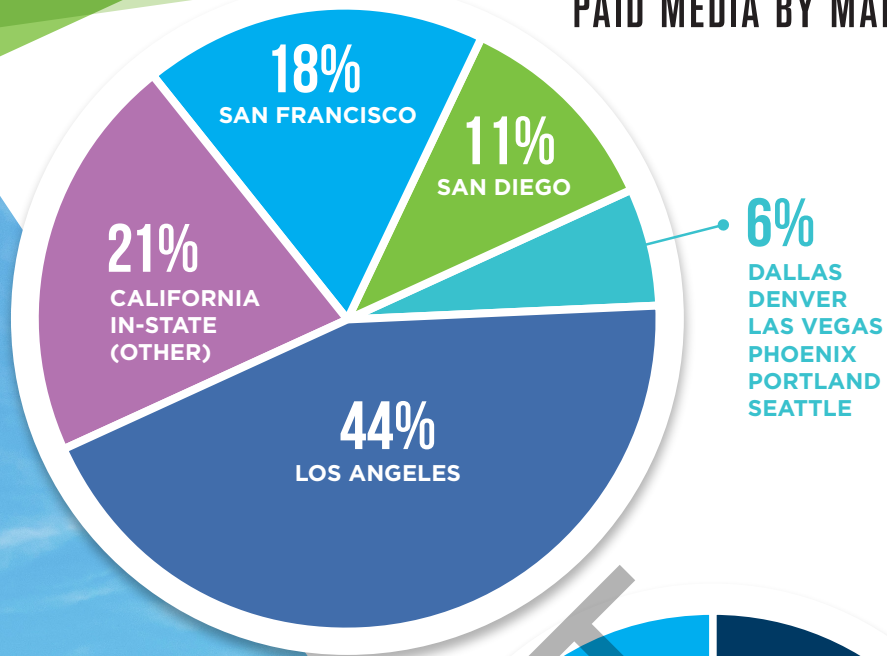
\$0.84 **23% ↓**
OVER FY 2019
OVERALL COST PER
LANDING PAGE ON SOCIAL

2.58% **24% ↓**
OVER FY 2019
SEM CLICK-THROUGH RATE

\$1.80 **13% ↓**
OVER FY 2019
SEM COST PER CLICK



PAID MEDIA BY MARKET

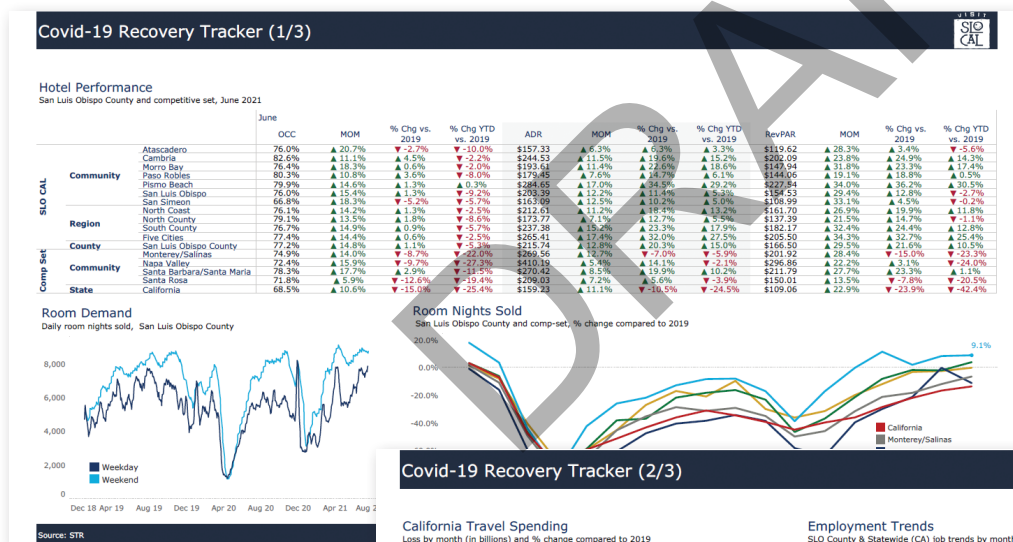


BREAKDOWN BY CHANNEL

TOURISM DATA INSIGHTS

Visit SLO CAL has continued to leverage their partnership with Tourism Economics to aggregate new and existing data sources into monthly business intelligence reports on their Symphony platform, informing the tourism industry with insightful visualizations in monthly reports. In November, VSC launched a new report, the COVID-19 Recovery Tracker, to track SLO CAL's recovery against its competitive set, and established new data streams. VSC worked with local municipalities and the county to secure data on transient occupancy tax (TOT) by community that segments the unique lodging mix (hotels and motels, short-term rentals, bed and breakfasts, and RV parks) and worked separately with Community Benchmark and Paso Robles Wine Country Alliance to secure wine industry data for new reports launching in FY 2022.

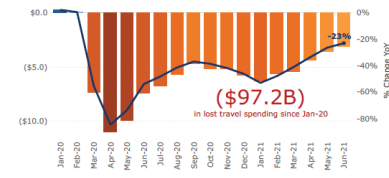
COVID-19 RECOVERY TRACKER



Covid-19 Recovery Tracker (2/3)

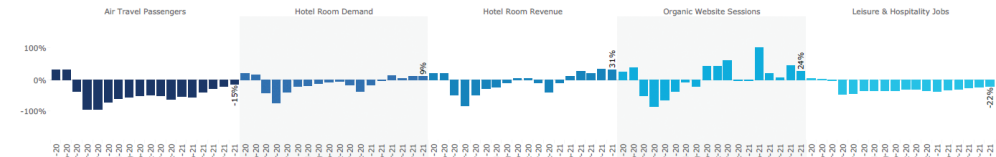
California Travel Spending

Loss by month (in billions) and % change compared to 2019



Recovery Indicators

San Luis Obispo County, % change relative to the same month in 2019



Employment Trends

SLO County & Statewide (CA) job trends by month (in thousands), compared to 2019

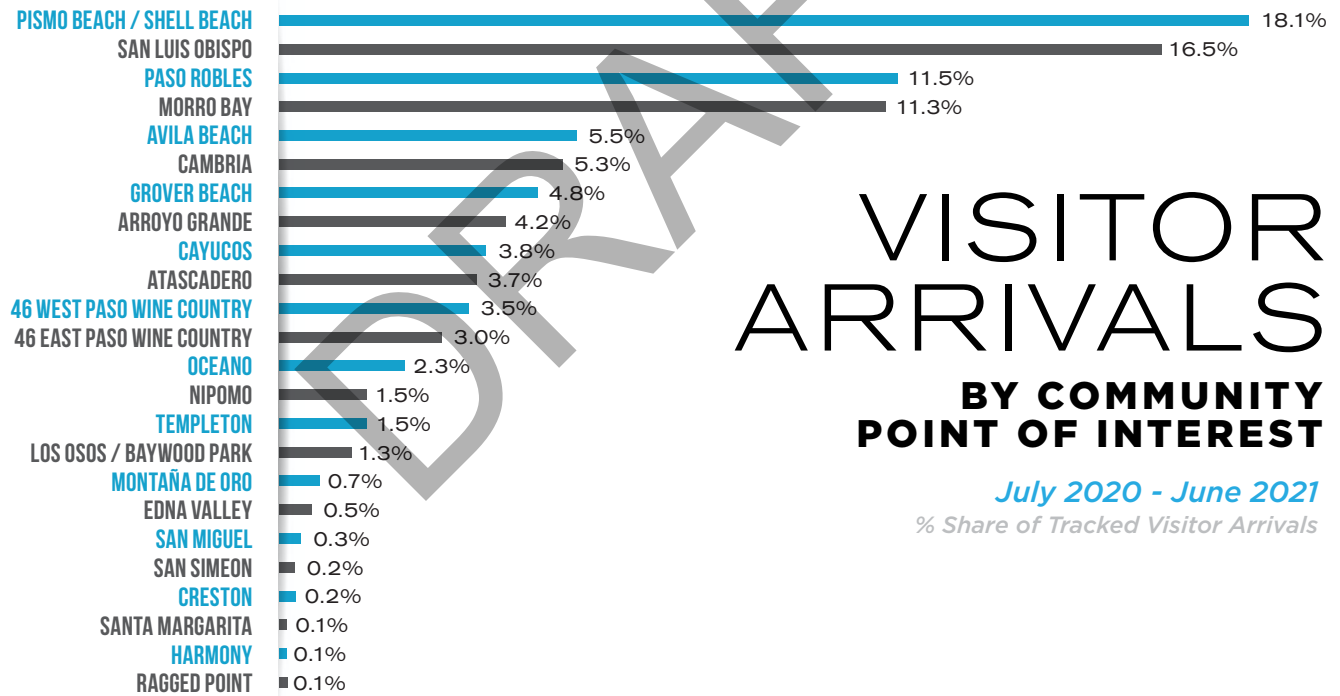
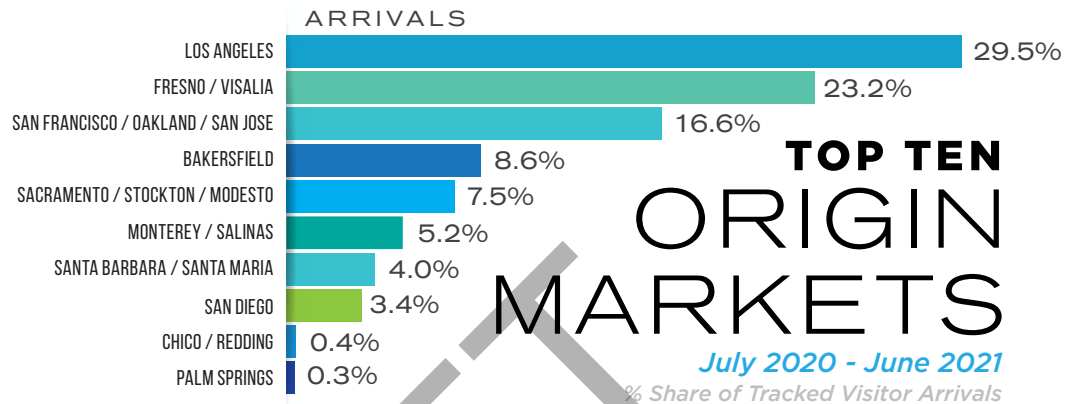
	Leisure and Hospitality		Total Nonfarm		Leisure and Hospitality		Total Nonfarm	
	SLO County	Statewide (CA)	SLO County	Statewide (CA)	SLO County	Statewide (CA)	SLO County	Statewide (CA)
Jan-20	19.1	2,003.7	118.7	17,481.8	1.6%	2.0%	1.2%	2.0%
Feb-20	19.4	2,028.3	120.0	17,604.1	1.6%	1.9%	2.2%	2.0%
Mar-20	18.9	1,998.2	119.4	17,445.9	-0.5%	-0.3%	0.3%	0.3%
Apr-20	14.2	1,443.4	99.1	13,444.9	-27.7%	-35.0%	-15.3%	-10.5%
May-20	15.0	1,567.9	105.5	15,567.9	-15.6%	-10.1%	-10.1%	-10.1%
Jun-20	14.9	1,561.7	105.2	15,601.7	-15.6%	-10.1%	-10.1%	-10.1%
Jul-20	15.3	1,540.4	107.3	15,404.4	-15.3%	-10.1%	-10.1%	-10.1%
Aug-20	15.5	1,406.9	106.9	14,069.9	-15.5%	-10.1%	-10.1%	-10.1%
Sep-20	15.5	1,410.0	107.3	14,100.0	-15.5%	-10.1%	-10.1%	-10.1%
Oct-20	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Nov-20	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Dec-20	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Jan-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Feb-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Mar-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Apr-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
May-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%
Jun-21	15.0	1,219.7	105.4	12,197.7	-15.0%	-10.1%	-10.1%	-10.1%

Source: Bureau of Labor Statistics (BLS)



ARRIVALIST

VSC continues to track arrivals through their partnership with Arrivalist. The Arrivalist A3 platform offers insights on visitor arrivals to San Luis Obispo County and key points of interest (POI), arrival windows, arrival origins, cross-visitation, length of stay and campaign lift as a result of paid media and organic traffic, which informs VSC's advertising efforts.



CROSS-VISITATION

July 2020 - June 2021

1.36 COMMUNITIES PER ARRIVAL

LENGTH OF STAY

July 2020 - June 2021

1.17 DAYS

PARTNER ENGAGEMENT

Visit SLO CAL offered various engagement opportunities to investors and partners throughout the year, including tools and best practices to grow their business, exposure on SLOCAL.com, and opportunities to reach new visitors. In FY 2021, VSC expanded the reach and impact of Restaurant Month and their Google My Business co-op. They also supported investors and partners with resources during the closure of Highway 1 and provided sponsorship funds to support and maintain the California Welcome Center in Pismo Beach.

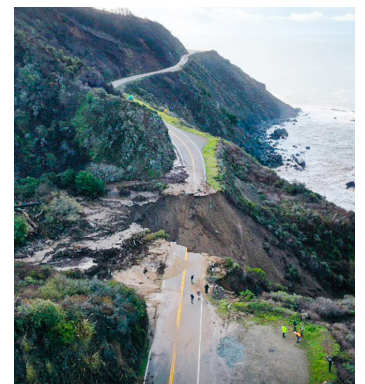
TOURISM ECOSYSTEM

Representing the voice of the larger community, Visit SLO CAL partners with organizations at the state and national levels to foster the greatest impact for local destination partners and tourism businesses. VSC reviews the broad array of opportunities offered, strategically identifying the initiatives that will create the strongest return on investment, and cascades those down to local communities.



HIGHWAY 1 CLOSURE

When the Rat Creek mudslide closed Highway 1 just north of SLO CAL in January, the VSC team quickly reactivated Highway 1 closure information from our 2016-2017 closure playbook, distributing laminated navigational one-sheets to lodging investors, chambers and visitor centers, and adding multilingual resources to SLOCAL.com. The scenic highway fully reopened on April 30.



GOOGLE MY BUSINESS

After hosting multiple educational webinars on Google My Business (GMB) in FY 2020, providing partners with valuable information and tools to claim and optimize their business listings, VSC took this program one step further by partnering with destinations to identify top-priority locations lacking GMB profiles for outreach and funding a five-day, in-market shoot consisting of still shots and 360 photospheres.



CALIFORNIA WELCOME CENTER SPONSORSHIP

When SLO CAL's only California Welcome Center (CWC), one of just 19 in the state, was at risk of closing in FY 2020, VSC's board approved the allocation of sponsorship dollars toward the operation of this important visitor resource. After conducting a detailed RFP process, VSC's board recommended the selection of the South County Chambers of Commerce to manage the CWC. This process culminated in December 2020 with the reopening of the CWC, located in the Pismo Beach Premium Outlets. The new state-of-the-art welcome center provides a digital experience for visitors and highlights all of the destinations within the county. VSC agreed to continue its monthly sponsorship of the CWC in FY 2022.

GOOGLE MY BUSINESS PHOTOSHOOT HIGHLIGHTS

5-DAY **44**
PHOTO SHOOT **LOCATIONS**
8 COMMUNITIES





RESTAURANT MONTH

Visit SLO CAL hosted Restaurant Month throughout January, highlighting SLO CAL's culinary experiences during the shoulder season. Restaurants offered a variety of different deals, including three-course prix fixe meals between \$30 and \$40 and other discounts. This year's campaign included an emphasis on takeout options, as well as a targeted local social campaign and additional advertising to support the restaurant community during the pandemic.



RESTAURANT MONTH FY 2021



12k
SESSIONS

5.3k ^{↑52% YOY}
PARTNER REFERRALS

44%
CONVERSION RATE

1:37 ^{↑55% YOY}
AVERAGE TIME
ON LANDING PAGE*



3.7m PAID IMPRESSIONS

145k ORGANIC IMPRESSIONS

38k CLICKS | 275k ENGAGEMENTS



1m IMPRESSIONS

6 IGTV "TAKEOVERS" FEATURING
5 COMMUNITIES

*Restaurant Month landing page visitors had a session duration of 7:51 and visited 8.06 pages per session on average.

FILM SLO CAL

The film industry drives business to SLO CAL, with productions investing dollars locally and products showcasing the landscapes, lifestyles and experiences of SLO CAL. Film SLO CAL, a division of Visit SLO CAL and the film commission for San Luis Obispo County, promotes, facilitates and tracks filming throughout the county, working to increase the number of productions and resulting economic impact. Many productions were halted or canceled in 2020, resulting in a smaller economic impact than in previous years.

24 PRODUCTIONS

47 FILMING DAYS

61 LEADS

\$589k ESTIMATED SPEND
IN SLO CAL



ADVOCACY

Visit SLO CAL activated their Advocacy Plan throughout FY 2021, focusing their efforts on ease of travel and recovery for the Travel & Tourism industry post-pandemic, ensuring that the industry's voice was represented on issues that mattered to investors and partners.

INDUSTRY ADVISORY GROUP

The VSC team hosted biannual Industry Advisory Group meetings with Assembly Member Jordan Cunningham and Congressman Salud Carbajal, allowing lodging property owners from across the county to voice their priorities and keep the Travel & Tourism industry top of mind at the state and federal levels. Topics of discussion have included state and federal recovery efforts, the infrastructure challenges surrounding Camp Roberts' proposed designation as a migrant children facility, state and federal lodging per diem rates, and legislation impacting the industry.



Industry Advisory Group meeting with Congressman Salud Carbajal

PARTNERSHIP WITH CALTRAVEL

VSC actively partners with California Travel Association (CalTravel) on statewide advocacy efforts. In FY 2021, VSC President & CEO Chuck Davison finished his two-year term as CalTravel's treasurer and served as an at-large executive committee director and as co-chair of their DMO Leader Roundtable.



OCEANO DUNES

Visit SLO CAL advocated against the proposed full closure of the Oceano Dunes State Vehicular Recreation Area (SVRA) in favor of a more balanced solution. VSC asked the California Coastal Commission (CCC) for a stay on the decision until a reliable economic impact assessment was available and the South Central Coast district commissioner was appointed. VSC conducted outreach to the Governor's Office and state representatives, rallied the tourism community and worked with their national PR agency to draft a crisis communications plan on the issue. Despite VSC's best efforts, the CCC decided to phase out OHV at Oceano Dunes in three years. However, at the direction of our board of directors, VSC gained the support of the county of San Luis Obispo and the cities of Arroyo Grande, Grover Beach and Pismo Beach to commission a third-party economic impact analysis, which will provide the community with the necessary data to help guide decision-makers on how to offset the economic losses from the closure of OHV.

MEETING WITH GOVERNMENT OFFICIALS

Staff introduced Visit SLO CAL, virtually and in person, to six newly elected officials and engaged government officials throughout the year on the key issues impacting the industry. As part of U.S. Travel's Destination Capitol Hill, VSC staff participated in virtual meetings with Rep. Salud Carbajal and Sens. Dianne Feinstein and Alex Padilla. In June, VSC co-hosted a tourism industry leader reception with newly appointed California Coastal Commissioner Meagan Harmon, providing an opportunity for coastal lodging owners, general managers, and government officials, to engage with the new commissioner.

CAMP ROBERTS

In April, VSC received notification that Camp Roberts was being considered for a federal government project that would have required accommodations for thousands of proposed government workers for up to 12 months, potentially challenging the industry's recovery. VSC drew awareness with local, state and federal government officials to infrastructure challenges and municipal revenue losses surrounding this proposed project. In June, the federal government announced that it was no longer considering the site.

EQUITY, DIVERSITY & INCLUSION

Visit SLO CAL is committed to taking a leadership role in ensuring that their work helps SLO CAL become a more inclusive destination, so that all who travel into and through the county feel welcomed and embraced. Last June, the board approved Visit SLO CAL's Equity, Diversity & Inclusion (EDI) Plan, committing VSC to several actions affecting all facets of the organization, including building a more inclusive and diverse internal culture, observing commemorative months by featuring SLO CAL's faces and stories, and ensuring assets are authentically representative of SLO CAL's diversity. VSC holds themselves accountable to continuous improvement on equity, diversity and inclusion through a tracking matrix and reporting to the board of directors.

ORGANIZATIONAL CULTURE

In February, three members of the Visit SLO CAL leadership team started a 12-month EDI Leadership Masterclass through Destinations International. Class topics have included emotional intelligence, microaggressions, unconscious bias and allyship. All effective change starts from the top, and the leadership team will leverage these important lessons to influence the organization's internal culture.



OWNED FEATURES

Throughout the year, Visit SLO CAL spotlighted equity, diversity and inclusion on owned channels, with video profiles and promotions pointing back to SLOCAL.com. With the goal of bringing authentic faces and stories of SLO CAL to life, VSC worked with local EDI community-based organizations to promote inclusive cross-visitation opportunities for tourists looking to support Latinx Heritage Month, Women's History Month, Black History Month, Asian American and Pacific Islander (AAPI) Heritage Month, and Pride Month. All EDI-related profiles are featured on a new landing page as well as on highlighted Instagram stories.

EDI AUDIENCE & ASSET ALIGNMENT STUDY

Having a clear picture of the audience that SLO CAL is trying to attract, as well as the product available within the county, is paramount to marketing success. To that end, in June, Visit SLO CAL initiated an EDI Audience and Asset Alignment Study, in conjunction with a Future Visitor Profile Study, through SMARInsights. This study will inform priorities in developing specific EDI initiatives, enhance the visitor expectation by creating authentic marketing campaigns, and identify business and cultural gaps within the county. Six destination partners also took advantage of a co-op to gain access to more specific research about their individual destinations, and to better inform their marketing efforts in this area. Each destination partner had the option to add five unique questions to each questionnaire and/or 10 follow-up video interviews from study participants.



EXPERIENCE SLO CAL 2050

As Visit SLO CAL concentrated on addressing immediate concerns and needs affecting the county's Travel & Tourism industry during the COVID-19 pandemic, the momentum of the Experience SLO CAL 2050 recommendations, previously approved by the Visit SLO CAL Board of Directors, slowed in FY 2021. As California and the nation advances toward a post-pandemic mindset and travel steadily increases, VSC has doubled down on their commitment to advancing the Experience SLO CAL 2050 recommendations. In December, VSC hired a project manager to facilitate this scope of work and resume progress on the recommendations that have been prioritized and funded by the board.

EVENTS & FESTIVALS STRATEGY

In spring 2021, Visit SLO CAL released an RFP to interested agencies skilled in strategic planning for events and festivals, and received several proposals. Staff met with destination partners and local stakeholders to build understanding of, and partnership on, the objectives of the strategy and countywide events calendar.

CUSTOMER SERVICE TRAINING INITIATIVE

Visit SLO CAL moved forward with the Customer Service Training initiative by releasing an RFP to interested agencies specializing in program development. Four agency proposals were received and are under review for consideration.

INTERNATIONAL VISITATION

In anticipation of international travel reopening in FY 2022, Visit SLO CAL signed a renewal contract with Black Diamond for trade and public relations representation in the UK and Ireland beginning in July 2021, ensuring that SLO CAL remains top of mind in these markets.

PASO ROBLES & SLO COAST WINE

Visit SLO CAL partners closely with the Paso Robles Wine Country Alliance (PRWCA) and SLO Coast Wine Collective through their representation on VSC's Marketing Committee. Additionally, VSC partnered with PRWCA to gain access to critical SLO CAL winery data that segments the SLO Coast and Paso Robles wineries, as well as data from its top competitors, Napa and Sonoma. This data will be integrated into VSC's monthly Community Business Intelligence Reports in FY 2022.





COUNTYWIDE TRAIL SYSTEM

As part of VSC's advocacy efforts for a countywide connected trail system, they advocated for the extension and connection of the Bob Jones Trail from Avila Beach to San Luis Obispo, which was approved in March after receiving an \$18 million California Transportation Commission grant to fund the project. As part of the Experience SLO CAL 2050 recommendation for a countywide trails system, the Bob Jones Trail is a vital part of the transportation connectivity through our county and a visitor draw in our destination.

SPACE LAUNCH EVENTS

In the fall of 2020, VSC created a new landing page on SLOCAL.com to inform visitors about planned space launches from Vandenberg Space Force Base. This page is updated regularly as new launches are scheduled.

AIR SERVICE DEVELOPMENT

As the county and state begin to reopen, Visit SLO CAL has been working closely with the San Luis Obispo County Regional Airport on a FY 2022 air service recovery strategy to reactivate fly markets, leveraging SLO CAL's competitive advantage as a leisure-heavy market. In June, SLO CAL celebrated the launch of daily service from Portland and the relaunch of daily service from San Diego through Alaska Airlines. While SLO CAL lost 225,000 seats over the last two fiscal years, it is projected to gain 197,000 seats in the first six months of FY 2022.

29k SEATS LOST
IN FY 2020

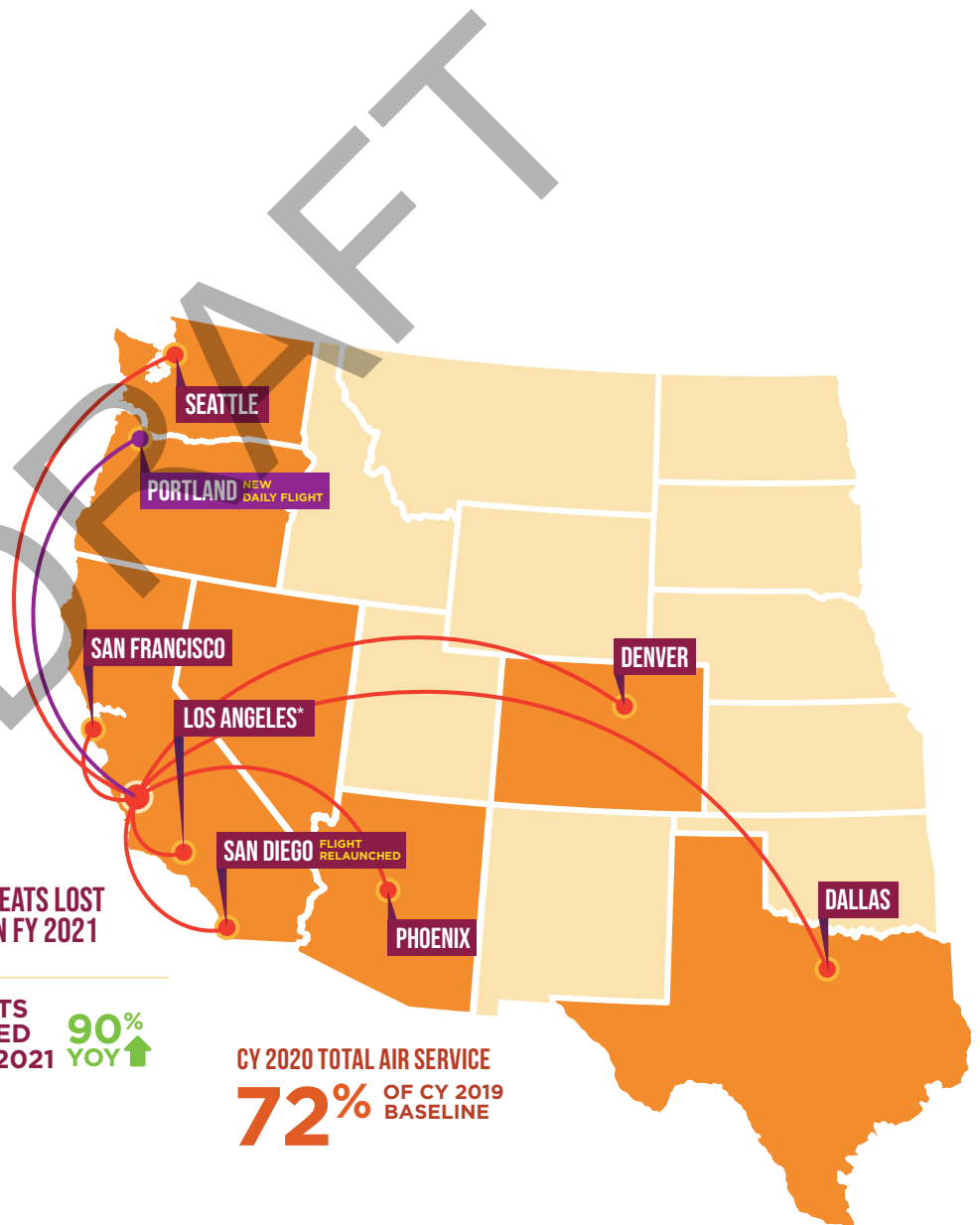
196k SEATS LOST
IN FY 2021

197k NEW SEATS
PROJECTED
JUL-DEC 2021 **90%**
YOY↑

*Temporarily suspended; scheduled to return in FY 2022

Source: Volaire

CY 2020 TOTAL AIR SERVICE
72% OF CY 2019
BASELINE



MOVING FORWARD

For FY 2022, Visit SLO CAL has defined four overarching objectives aligned with each of the four Strategic Direction 2023 imperatives, along with measurable key results for each objective. The efforts of each department for the coming year will ladder down from these objectives and key results.

IMPERATIVE 1

Continue to build an engaged, best-in-class team

VSC is actively recruiting for several former and new positions in order to build the capacity necessary to execute the organization's most ambitious scope of work to date. In building the team, VSC is working to ensure that candidates have a professional experience and that team members are engaged with the organization's mission and values, beginning with a great recruitment and onboarding experience.

IMPERATIVE 2

Activate a House of Brands strategy that creates a pathway for community adoption and increased visitation to and within the county

Working with Mering, VSC will activate the House of Brands strategy, a three-phase approach to achieve adoption by all local destinations. VSC will also apply findings from the Future Visitor Profile Study and the EDI Study, set to be completed in August, ensuring long-term success in attracting new and diverse visitors.

IMPERATIVE 3

Implement recovery and resiliency planning initiatives

As the country moves toward a post-pandemic mindset, VSC will focus on advancing recommendations like the Events and Festivals strategy, Customer Service Training initiative and SLO CAL Crafted, and identifying other pathways that are integral to building and maintaining a resilient destination. VSC has partnered with Xplorit to launch a fully immersive virtual site inspection platform by winter 2021 that will help drive the recovery of meeting and conference business. VSC will also continue to position itself as a unified voice for the countywide Travel & Tourism industry.

IMPERATIVE 4

Increase engagement with investors, partners, stakeholders and communities

VSC will directly engage partners in opportunities to participate in programs that provide additional exposure to new audiences through advertising and owned channels. VSC will also evaluate resident sentiment for tourism in SLO CAL and will partner with stakeholders and local agencies to collaborate on and advocate for issues surrounding resident quality of life.



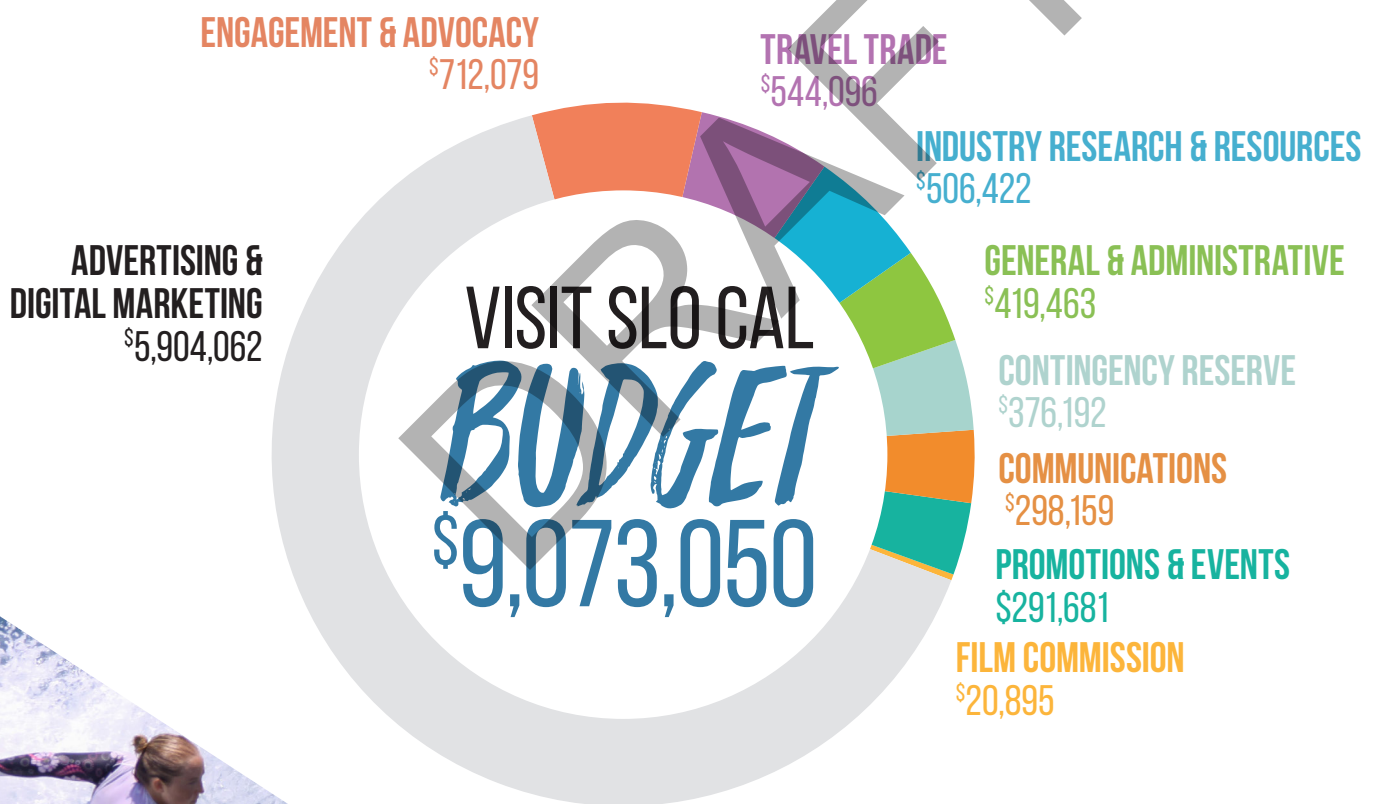
For more details on VSC's FY 2022 scope of work, be sure to download the FY 2022 Business & Marketing Plan, available here: <http://bit.ly/vsc-plan-22>.

FY 2022 BUDGET

ESTIMATED COST OF PROVIDING
ACTIVITIES IN THE NEXT FISCAL YEAR
\$9,073,050

ESTIMATED CONTRIBUTION FROM
NON-ASSESSMENT SOURCES
\$229,028

ESTIMATED FY 2021 SURPLUS
CARRIED FORWARD TO FY 2022
\$1,664,863



APPENDIX

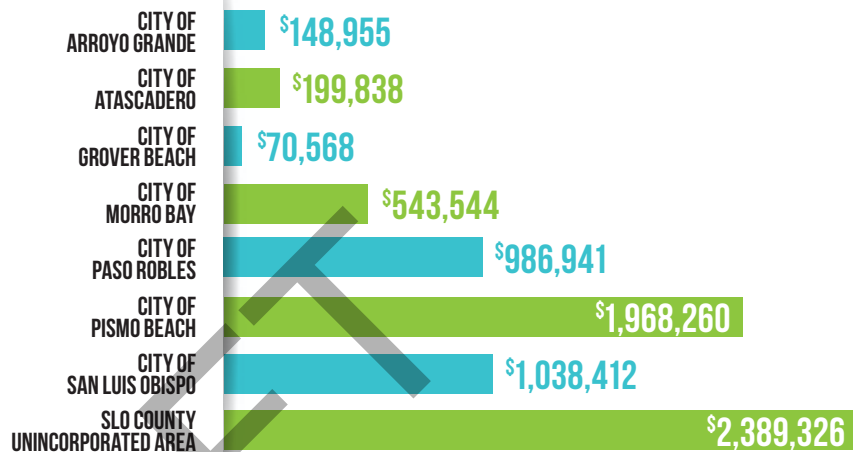
METHOD & BASIS OF LEVYING ASSESSMENT

The annual assessment rate is 1.5% of gross short-term (stays 30 or fewer consecutive days) room rental revenue. The county and each city are responsible for collecting the assessment from lodging businesses within their respective jurisdictions on a monthly or quarterly basis, including any delinquencies, penalties and/or interest. Within 30 days of receipt, the county and each city then forward the assessments collected to the Tourism Marketing District (TMD) managed by Visit SLO CAL.

PROPOSED BOUNDARY, ZONE OR CLASSIFICATION CHANGES

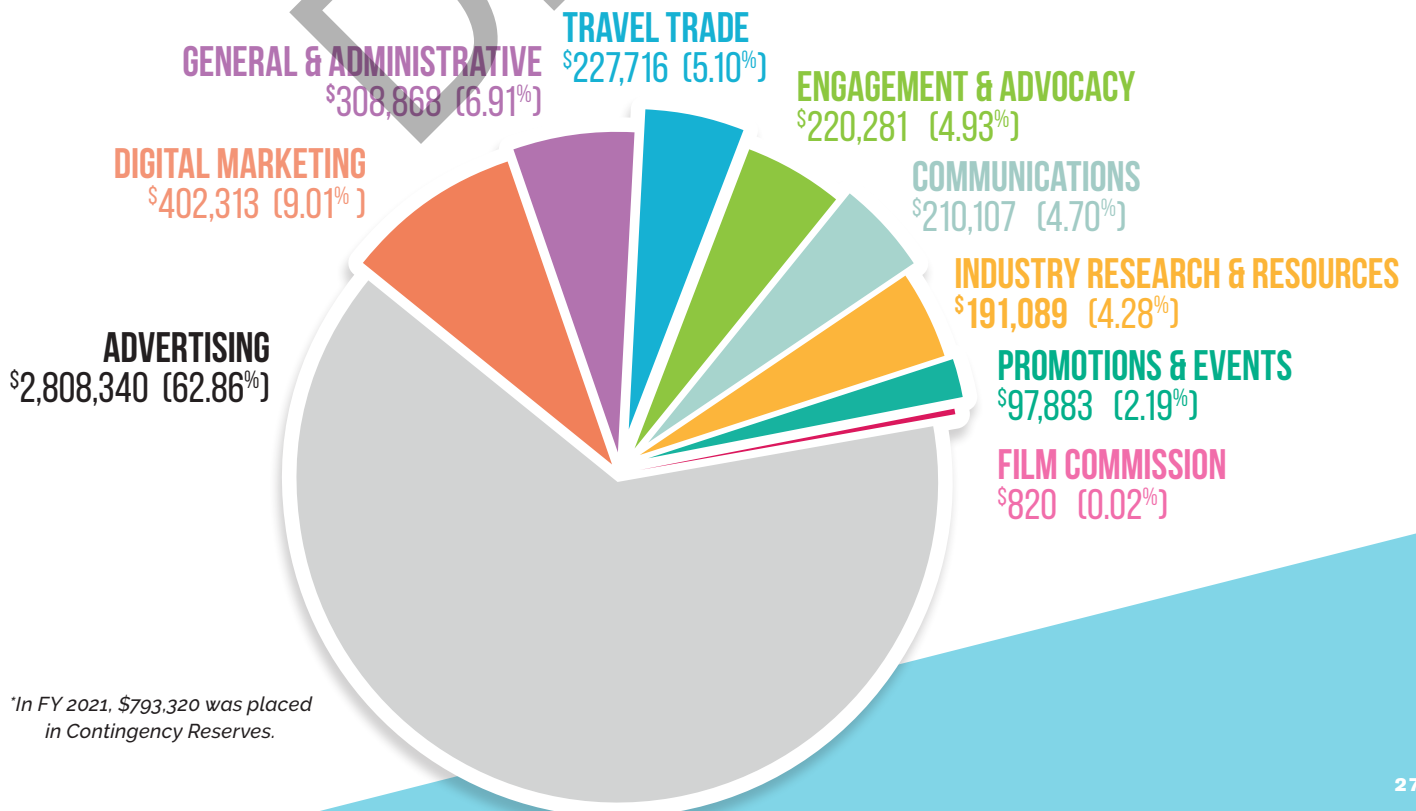
There are no proposed boundary, zone or classification changes for the coming year.

ASSESSED FUNDS FROM FY 2021*



*For FY 2021, TMD collections have been recorded in the actual year they were collected by lodging businesses. Visit SLO CAL has posted a prior period adjustment that records May/June 2020 TMD revenue in the actual fiscal year (ending 6/30/20). The amount of revenue being moved from FY 2021 to FY 2020 to reflect this change will be \$111,509.

FY 2021 DETAILED EXPENDITURES*



*In FY 2021, \$793,320 was placed in Contingency Reserves.



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Advocacy Plan

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Advocacy Plan

OVERVIEW

Purpose for Advocacy

The primary purpose of developing an Advocacy Plan is to promote the mission of Visit SLO CAL with respect to issues of public policy and community sentiment.

Visit SLO CAL's advocacy efforts are intended to ensure that the tourism industry's voice is represented on issues that matter to our community of investors and partners, and that the industry's views and wishes are genuinely considered when decisions are being made that impact our industry.

As part of Strategic Direction 2020, Visit SLO CAL set five initiatives focused on Advocacy.

1. Develop a plan for advocacy on behalf of stakeholders
2. Develop an engaged and high-functioning tourism culture for San Luis Obispo County
3. Develop and execute a local communications strategy
4. Inspire and active tourism ambassadors
5. Identify, develop, and activate relationships

In Strategic Direction 2023, the organization again reinforced these initiatives.

The Advocacy Plan is meant to deliver on the above initiatives.

Visit SLO CAL's advocacy efforts occur in concert with Board direction for items which impact tourism and hospitality in SLO CAL, the Central Coast region, the State of California and Nationally. The President and CEO along with the Director of Community Engagement and Advocacy will advocate for projects and programs that improve the quality of life for our residents while at the same time positively impacting the tourism and hospitality culture of SLO CAL.

As part of Strategic Direction 2020 and Visit SLO CAL's initiative to Develop a long-term Tourism Infrastructure Master Plan/Destination Management Strategy (DMS), this Advocacy Plan has been informed by the DMS and will serve as a tool for staff when implementing the DMS recommendations.



Advocacy Plan

Vision, Mission & Values

The Vision of Visit SLO CAL is: A vibrant and prosperous SLO CAL, fueled by a collaborative and flourishing tourism industry.

The Mission of Visit SLO CAL is to: Inspire travel and foster our unique experiences to create life-long ambassadors and economic growth for SLO CAL.

The Values of Visit SLO CAL are:

- Stewardship
- Authenticity
- Inclusion
- Drive
- Future Focus

ANALYSIS

Objectives

Visit SLO CAL's Advocacy Plan's primary objective is to increase the awareness, influence and unified voice of the SLO CAL Travel & Tourism industry among the general public, community leaders and stakeholders, while sharing the economic impact and quality of life enhancements that our organization and tourism contribute to the region.

Public Policy Platform

Promote SLO CAL as a Visitor Destination

Visit SLO CAL supports initiatives and policies that create opportunities to market SLO CAL as a premier destination for domestic and international travel while maintaining and enhancing the quality of life for residents.

Advocate for Industry Needs that Demonstrate Tourism's Commitment to Local Values

Visit SLO CAL believes that a healthy and prosperous business climate is critical to support ongoing investments into the social, environmental and economic future of the region. Visit SLO CAL will

advocate for policies that help the region's tourism businesses grow their impact. The organization will support policies that responsibly attract, develop and retain a qualified workforce, increase the availability of workforce housing and transportation options, increase the competitiveness of local business and increase the availability of people to travel to SLO CAL.



Advocacy Plan

Facilitate Travel to and Within SLO CAL and California

Visit SLO CAL supports efforts to facilitate travel to and within SLO CAL and California, including the enhancement, maintenance and repair of transportation infrastructure, the promotion of air travel to SLO CAL by domestic and international travelers, the dissemination of information that facilitates travel to SLO CAL, and the elimination of political, economic and regulatory barriers to travel. Visit SLO CAL also supports economic initiatives that will directly or indirectly attract and sustain travel to SLO CAL.

Promote and Advocate for Resource Stewardship Initiatives that Positively Impact the Sustainability of the Destination and Enhance the Visitor Experience

Visit SLO CAL believes that our natural environment is a central tourism and economic asset in our region, and therefore supports policies, projects and programs that protect SLO CAL's natural resources and landscapes. Visit SLO CAL will advocate for equitable policies that maintain our oceans and beaches, watersheds, open space, water and air quality to meet the ecological, environmental and recreational needs of our visitors and residents.

Promote and Advocate for Long-Term Development Projects that Positively Impact the Visitor Experience

Visit SLO CAL believes that public and private sector infrastructure and development projects that will enhance our ability to market SLO CAL as a visitor destination are critical to the organization's ability to accomplish its mission over the long term. Relevant projects include the development of meeting and conference facilities, improvements to transportation corridors, public transportation and parking, creation and expansion of arts and cultural institutions, and public path and trail systems for biking, equestrian and hiking access.

Support Public Policy Initiatives that Promote California's Position as an Inclusive, Diverse and Welcoming Destination

Visit SLO CAL is committed to equity and inclusion in all aspects of the industry and business and will support and advocate for policies that help SLO CAL and California become a more inclusive and welcoming destination for travelers.

Enhance Quality of Life Issues

Visit SLO CAL believes that quality of life issues significantly impact the visitor experience. The organization will support initiatives that maintain and enhance both the quality of the visitor experience and quality of life for local residents with respect to the safety, cleanliness and well-being of SLO CAL's neighborhoods and communities.



Advocacy Plan

Identify Strengths, Weaknesses, Opportunities & Threats (SWOT)

Strengths:

- Unanimous direction from the Visit SLO CAL Board, as outlined in Strategic Direction 2020, to advocate for the industry and destination
- Sole unified tourism voice for SLO CAL
- Financial resources to support community engagement and advocacy
- Trailblazing approach to solving big challenges
- Willingness to initiate change
- Relationships and influence with other advocacy groups like CalTravel
- Positive, and in some cases, strong relationships with local, state and federal elected officials
- Increased staff capacity with experience in policy, advocacy and community engagement
- Destination Management Strategy providing key recommendations, approved by community leaders and board of directors, outlining areas requiring countywide advocacy and support

Weaknesses:

- Lack of awareness of organization outside of community leaders and tourism industry
- Lack of deep, team member organizational experience in the advocacy space
- Lack of meaningful and proactive relationships with local and regional media
- Lack of any substantial relationship or engagement with residents

Opportunities:

- Elevate the visibility and influence of the Travel & Tourism industry and the leaders that represent Travel & Tourism amongst local regional, state and national decision-makers
- Foster increased access and relationship between elected officials and Visit SLO CAL investors
- Collaboration with like-minded organizations to accomplish bigger goals and create an environment where it is difficult for others to say “no” when the Travel & Tourism industry is engaged
- Establishing deeper community and resident relationships that grow awareness of the organization and lead to greater influence

Threats:

- Lack of understanding amongst industry or community leaders of the purpose of advocacy efforts on behalf of the tourism and destination
- Diminished value for the tourism industry, its efforts and quality of life and economic impact to the community
- Frustrating the elected officials who don't agree with Visit SLO CAL's advocacy efforts or positions leading them to be less supportive of Visit SLO CAL initiatives
-



Advocacy Plan

- Investors who think our efforts should solely be spent on marketing, not understanding the “Why” behind advocacy
- On-going changes of elected officials

Targeted Audiences

In an effort to make the plan more efficient and effective, key influencer and stakeholder groups need to be determined and prioritized. An example of these groups likely includes:

- Elected Officials
 - Local
 - Regional
 - State
 - Federal
- Civic and Nonprofit Leaders
- Industry and Community Leaders
- Residents
- Local/Regional Media Outlets

Based on the groups, mentioned above, determine whether they have a:

1. Positive attitude with much power (nurture these)
2. Negative attitude with much power (convinces, communicate, confront, convert)
3. Positive attitude with little power (seed to empower them through information)
4. Negative attitude with little power (keeps them informed, do not burn any bridges, do not waste unnecessary energy)

Strategies

In order to achieve the most successful results, the following strategies have been developed:

- Advise and assist the Board of Directors of Visit SLO CAL with respect to public policy issues that could significantly affect the interest of Visit SLO CAL, its investors, its partners and the greater SLO CAL tourism community;
- Take positions consistent with the purpose and guidelines set forth in the Advocacy Plan on public policy issues, including legislative and ballot measures and regulations, at the local, state and federal level;
- Educate elected officials and other key decision makers about the importance of the tourism industry to the well-being, quality of life and economic vibrancy of SLO CAL;
- Obtain a “seat at the table” to influence outcomes;
- Cultivate and engage local relationships and work with like-minded organizations to generate word-of-mouth support for the industry; and
- Collaborate with other organizations whose public policy objectives coincide with the goals of Visit SLO CAL

Execution & Tactics

Procedures for Action on Public Policy Platform

Consistent with the Public Policy Platform, the President & CEO and Director of Community Engagement and Advocacy will identify issues at the local, state and federal level where engagement will enhance the effectiveness and contributions of the SLO CAL tourism industry.

- Visit SLO CAL staff may take action on issues prior to a vote by the Executive Committee if that issue: meets the criteria listed below, is consistent with the Public Policy Platform, or Visit SLO CAL has taken a prior position that established a guiding precedent for future actions. Prior to action being taken, Visit SLO CAL staff will work to receive feedback from the local BIDs and strategic partners to allow for alternative opinions to be heard and ideas to be presented. If the timeline for taking action on the issue allows the item to be presented to the Executive Committee at a regularly scheduled meeting, the Visit SLO CAL staff should wait to allow for their vote. If the timeline does not allow the item to be on an Executive Committee agenda, the committee should be notified prior to any action being taken to allow for a request of staff to delay action. Any formal actions taken shall be reported out by the President & CEO and/or Director of Community Engagement and Advocacy at the following Executive Committee and Board of Directors meetings.

	Answer Must Be
Does the issue affect more than one community in SLO CAL?	Yes
Is there reasonable belief that our lodging investors may hold divergent opinions?	No
Does this issue have a direct impact on the Travel & Tourism industry?	Yes
Is the outcome likely to change if Visit SLO CAL takes a position on the issue?	Yes

- For advocacy in support of or opposition to specific legislative or regulatory measures that do not meet the criteria listed above and/or are not clearly articulated within the Public Policy Platform, the President & CEO and/or Director of Community Engagement and



Advocacy Plan

Advocacy will first bring the issue to the Executive Committee for a vote on a support, neutral with comments, oppose, or no action position. The issue and the decision of the Executive Committee, along with any subsequent public actions taken by the organization

will be reported out for discussion and further positioning at the following meeting of the Board of Directors.

For each issue brought to the Executive Committee for action, the Visit SLO CAL staff will prepare a policy brief for the Executive Committee that will summarize merits of the issue, considering key questions such as:

1. Who/what organization brought forward the issue (Visit SLO CAL Board, investors, a coalition partner, government, industry association such as CalTravel, etc.)?
2. What is the relevant background, stated objective and precedent for this issue?
3. How does the issue relate to the Public Policy Platform?
4. How is the lodging community impacted by this issue?
 - a. Which segments are impacted?
 - b. Does this policy create an environment of winners and losers within the industry?
5. What is the benefit to the organization or industry if we engage on this issue?
6. What is the risk to the organization or industry if we *do not* engage on this issue?
7. Does engagement on this issue strengthen or detract from our organization and industry reputation?
8. Who is on the other side of the issue, and what is the risk to the organization of taking a competing position?
9. Are there key partners, influencers or decision-makers who will object to our engagement on the issue? Who are they and what are their objections? Can these concerns be resolved or mitigated?
10. Is there an existing coalition of stakeholders we would be joining, or are we the lone voice? Do we own the advocacy or are we a partner in it?
11. In what venue would we be advocating, and are there alternative strategies that might be considered?
12. Who is the most effective messenger to deliver the advocacy message (Visit SLO CAL staff, board member(s), industry representatives, coalition partner, etc.)?
13. What finances are needed and what will they be used for?
14. What is the timeline?

Establish targeted messages based on unique issues and audience

Each issue will require a number of detailed target messages based on the audience they are designed to reach. In order for those messages to be effective, they need to solve for the “why” for each audience. Why should they care and how will this information assist them going forward? From there, all messages and audiences should be prioritized.



Advocacy Plan

Identify key influential groups/messengers assigned to each audience and issue

In order for the plan to be effective, it is important to determine what key influential groups/messengers are available and willing to help advance Visit SLO CAL's advocacy initiatives and which messages they are most prepared to advocate on. Groups/Messengers could include:

- Staff
 - To the extent possible, all team members are encouraged to engage in Visit SLO CAL's advocacy efforts. Staff will receive regular briefings on current advocacy efforts and, where appropriate, resourced with background and messaging to serve as effective ambassadors for the policy and community engagement objectives. The following individuals will take the lead in executing this plan:
 - President & CEO
 - Director of Community Engagement and Advocacy
- Board of Directors
 - Executive Committee
 - Board Chair
 - Board Vice Chair
 - Board Immediate Past Chair
 - Participating in or leading the effort on controversial issues can often be problematic for the organization. As such the risk/benefit analysis outlined in the Procedures for Action on Public Policy Platform will be completed in advance to determine the probability of achieving the desired outcome and identifying the most effective messenger. In cases where the organization cannot take the lead, it will look to engage and empower industry investors and leaders.

Message Training

In order to assure effective communications each messenger will need to be provided current policy positions and talking points to effectively convey individual issue messaging to the appropriate audience. Messengers include:

- Staff
- Board

Desired Results

Establish Metrics to Measure Success

As we determine our path forward, it is important to understand the “headlines” and define the success of our Community Engagement and Advocacy efforts through the establishment of key



Advocacy Plan

metrics that can be used to track outcomes of our endeavors. The metrics should be defined by the phrase “we will know we are successful when there is/are”

- Broad overall awareness of Visit SLO CAL as a DMMO
- Influence of/with elected officials
- Organizations partnering with us to promote common goals
- An increase in the number of presentations regarding the DMS recommendations or the public policy platform given by Visit SLO CAL staff annually
- Positive local and regional media placement annually
- An annual review/update of the plan

Review and Update Plan

Areas of focus are subject to change based on new issues that develop. As such, the public policy platform should be updated annually prior to the start of the new fiscal year.



October 1, 2021

Principal Life Insurance Company
Des Moines, IA 50306-9394
Fax: 866-704-3481

Atten: Kyle Smith
Client Services Representative
Smith.Kyle@Principal.com

Re: Contract/Plan ID Number: 717146

Please accept this letter as a request to amend the Visit San Luis Obispo County 401(K) Plan, Contract/Plan ID Number: 717146 in the following fashion:

- Beginning January 1, 2022, adjust the enrollment eligibility period from the current twelve (12) months to a revised three (3) months

We understand there to be a one-time cost of \$350 to make this plan amendment. Please confirm receipt of this request and let us know what other information you need in order to make this adjustment. Please note, Visit SLO CAL is the dba, of Visit San Luis Obispo County and the San Luis Obispo Visitors and Conference Bureau. Thank you.

All the Best,

Chuck Davison, CDME
President & CEO
Visit SLO CAL



U.S. DEPARTMENT OF COMMERCE

Economic Development Administration
Jackson Federal Building, Room 1890
915 Second Avenue
Seattle, Washington 98174
206-220-7660

September 23, 2021

Chuck Davison
President & CEO
Visit SLO Cal
1334 Marsh St.
San Luis Obispo, CA 93401

Dear Mr. Davison,

This is to notify you that the EDA Seattle Regional Office staff have reviewed and accepted your 2019 Visit SLO CAL Destination Management Strategy as a temporary equivalent or alternative (i.e. non-EDA-funded) CEDS for the tourism industry in San Luis Obispo County and the participating jurisdictions for one year, until September 24, 2022. Your document meets the following basic requirements:

- It is current (developed within the past five years and shows relevancy through actions such as public posting and/or active use).
- Its preparation and contents address EDA's regulations (13 C.F.R. § 303.7).
- The plan is consistent with EDA's CEDS Content Guidelines in force at time of preparation.
- It defines the area served by the plan and provides evidence of a public participatory process.

Inasmuch as your development strategy has been prepared using your own resources, there are no special requirements or due dates set by EDA for updates and revisions. However, if you intend to use your destination management strategy in support of an application for EDA funding, it will be necessary to ensure that the document remains current, revising or updating it within one year of the grant application date.

We commend your organization for its good efforts, and we look forward to working with you as you continue to address the economic development planning and implementation needs of your County.

Sincerely,

Asia King

Asia King
Economic Development Representative for Central California
Cc: Raul Ramos, Economic Development Specialist

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) EQUIVALENT/ALTERNATE PLAN REVIEW & ASSESSMENT CHECKLIST

Planning Organization Information

Name:	Visit SLO Cal
Address:	San Luis Obispo, CA
POC Name, Title:	Chuck Davison
POC Telephone, Email:	chuck@slocal.com ; melissa@slocal.com

EDA Review & Acceptance Process *(to be completed by EDA)*

Name of equivalent/alternate plan:

Visit Slo Cal Destination Management Strategy 2019

Equivalent/Alternate Plan Self-Assessment Checklist Completed ☐ Yes ☐ No

& Attached (optional):

Reviewer Name, Title, RO:	Asia King, EDR Seattle Regional Office
Reviewer Phone, Email:	Aking2@eda.gov ; 206-247-0991

Date Equivalent/Alternate Plan Received by EDA:	Sept 26, 2021
Date Equivalent/Alternate Plan Review Completed:	Sept. 23, 2021
Equivalent/Alternate Plan Review Determination:	<input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Deficient

Date Equivalent/Alternate Plan Review Letter & Checklist Sent to Organization:	Sept 23, 2021
Equivalent/Alternate Plan, Review Letter, & Assessment Checklist Filed at RO:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Equivalent/Alternate Plan Receipt, Review Notification, & Status Entered in OPCS:	<input type="checkbox"/> Yes <input type="checkbox"/> No

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)

EQUIVALENT/ALTERNATE PLAN REVIEW & ASSESSMENT CHECKLIST

Overview

A CEDS should serve as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional economic collaboration. However, a region does not have to develop a CEDS if a strategy has already been prepared or is being crafted for an alternate but complimentary purpose. In the absence of an EDA-funded CEDS, and in an effort to reduce duplication and foster cross-agency collaboration, EDA may accept as a CEDS any regionally prepared plan, including plans prepared under federally or state supported programs. The checklist below is an optional assessment tool intended to help area/regional development organizations leverage viable strategies that meet EDA's guidelines. Likewise, it is a tool for EDA staff to use in reviewing and accepting a CEDS-equivalent or alternate plan when the community or region applies for an EDA-funded project. Although it is not a required form, it is a useful tool.

Structure

The checklist includes those key elements that are required for a plan to be accepted as a CEDS-equivalent/alternate plan. It should be noted that EDA does not formally "approve" these alternate/equivalent plans. Rather, EDA will accept or deny the plan when the community or region applies for an EDA-funded project.

Instructions

The following instructions will optimize the use of this checklist for equivalent/alternate plan reviews and self-assessments:

- Check the appropriate box to indicate whether or not the element is present and has been satisfactorily addressed.
- Include comments to note the location of the element, clarify the assessment (as needed) to indicate deficiencies to be addressed, or to acknowledge exemplary treatment of the element.

Self-Assessment

It will be helpful for a plan-preparing organization to conduct a self-assessment of its strategy using this checklist. In so doing, the organization should be able to identify and address deficiencies prior to submitting the document for EDA review and determination of acceptance of the plan when the community or region applies for an EDA-funded project. It will also be helpful for the organization to submit a copy of its self-assessment with the equivalent/alternate plan.

References

“Comprehensive Economic Development Strategy (CEDS) Content Guidelines: Recommendations for Creating an Impactful CEDS,” <http://www.eda.gov/ceds/>

EDA Regulations: 13 C.F.R. § 303.7; http://www.eda.gov/pdf/edas_regs-13_cfr_chapter_iii.pdf

CEDS EQUIVALENT/ALTERNATE PLAN REVIEW & ASSESSMENT CHECKLIST

In the absence of an EDA-funded CEDS, EDA may accept as a CEDS any regionally prepared plan, including plans prepared under federally or state supported programs. It should be noted that EDA does not formally “approve” these alternate/equivalent plans. Rather, the EDA will accept or deny the plan when the community or region applies for an EDA-funded project. The following elements must be present for the strategy to be accepted as a CEDS-equivalent/alternate plan:

- The alternative plan is current (developed within the past five years and shows relevancy through actions such as public posting and/or active use): ☒ Yes ☐ No

Comments: This Destination Management strategy was written in 2019 and offers strategies through 2050.

- The plan’s preparation and contents address EDA’s regulations (13 C.F.R. § 303.7): ☒ Yes ☐ No

Comments: The planning process included the input of government, public, private and nonprofit stakeholders as well as residents. The plan lists the strengths and areas of improvement of the County’s tourism sector. The plan puts forth a vision, analysis, recommendations and action plan for how to continue to build a successful tourism sector.

- The plan is consistent with EDA’s CEDS Content Guidelines – containing at least a summary background, analysis, strategic direction/action plan, and an evaluation framework: ☒ Yes ☐ No

Comments: Evaluation framework in the form of implementation action items/annual planning process.

- The area that the plan will serve is clearly identified, and evidence of a robust participatory process (broad-based and inclusive community participation) is provided: ☒ Yes ☐ No

Comments: San Luis Obispo—the entire county. Research and surveys discussed.



September 3, 2021

Glenn Burdette
1150 Palm Street
San Luis Obispo, CA 93401

This representation letter is provided in connection with your audit of the financial statements of San Luis Obispo County Visitors & Conference Bureau DBA Visit SLO CAL, which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 3, 2021, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 17, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. In addition, we are in agreement with the proposed adjusting journal entries that you provided along with the template for the representation letter and they have been posted to the Organization's accounts.
9. We are in agreement with the fixed asset schedules provided by you and have taken all management responsibility for the information and estimates provided to maintain these schedules.
10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
11. Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
12. Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

13. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
14. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
15. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
16. We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
17. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.



18. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.
19. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
20. We have disclosed to you the names of all the Organization's related parties and all the related party relationships and transactions, including any side agreements.
21. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
23. San Luis Obispo County Visitors & Conference Bureau DBA Visit SLO CAL is an exempt organization under Section 501(c)(6) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
24. As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

Signed:

Signed:

Title: _____

Title: _____

PRELIMINARY DRAFT
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San Luis Obispo County Visitors & Conference Bureau, Inc.
DBA Visit SLO CAL

Financial Statements

Year Ended June 30, 2021

DRAFT

San Luis Obispo County Visitors & Conference Bureau, Inc.

**DBA Visit SLO CAL
Financial Statements
Year Ended June 30, 2021**

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Independent Auditors' Report

To the Board of Directors of
San Luis Obispo County Visitors & Conference Bureau, Inc. DBA Visit SLO CAL

We have audited the accompanying financial statements of San Luis Obispo County Visitors & Conference Bureau, Inc. DBA Visit SLO CAL (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Luis Obispo County Visitors & Conference Bureau, Inc. DBA Visit SLO CAL as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Glenn Burdette Attest Corporation

San Luis Obispo, California

September 2, 2021

DRAFT

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Statement of Financial Position

June 30, 2021

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Assets

Current assets:

Cash and cash equivalents	\$ 3,063,430
Investments	326,539
Accounts receivable	1,798,175
Prepaid expenses	249,873
Total current assets	<u>5,438,017</u>

Property and equipment, net of accumulated depreciation 121,325

Other assets:

Investments	357,595
Trademark	<u>15,750</u>

Total assets \$ 5,932,687

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$ 263,327
Accrued liabilities	218,399
Accrued vacation	37,620
Deferred revenue	8,026
Total current liabilities	<u>527,372</u>

Long-term liabilities:

Paycheck Protection Program note payable	<u>151,056</u>
Total liabilities	<u>678,428</u>

Net assets:

Without donor restrictions	<u>5,254,259</u>
Total net assets	<u>5,254,259</u>

Total liabilities and net assets \$ 5,932,687

The accompanying notes are an integral part of these financial statements.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL
Statement of Activities
June 30, 2021

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Revenues and other support:

Assessment revenue	\$ 7,345,844
Co-op revenue	757
Interest income	3,068
Other income	<u>10,552</u>
Total revenues and other support	<u>7,360,221</u>

Expenses:

Program services	3,934,300
Management and general	<u>533,116</u>
Total functional expenses	<u>4,467,416</u>

Change in net assets	<u>2,892,805</u>
----------------------	------------------

Net assets - beginning of year	2,270,612
---------------------------------------	-----------

Prior year restatements	<u>90,842</u>
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Net assets - beginning of year, restated	<u>2,361,454</u>
---	------------------

Net assets - end of year	<u><u>\$ 5,254,259</u></u>
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The accompanying notes are an integral part of these financial statements.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Statement of Functional Expenses

June 30, 2021

**PRELIMINARY DRAFT
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	Program Services	Supporting Services General and Administration	Total
Advertising and promotion	\$ 1,859,314	\$	\$ 1,859,314
Board/committee meetings		21,995	21,995
Computer expenses	12,510	12,509	25,019
Contract services	778,425	27,865	806,290
Credit card charges		2,376	2,376
Depreciation	20,382	5,096	25,478
Dues and subscriptions	18,431	5,000	23,431
Equipment rent		3,344	3,344
Health and workers compensation insurance	52,836	22,644	75,480
Insurance		14,178	14,178
Legal and professional fees		67,120	67,120
Marketing	148,219		148,219
Office supplies and postage	7,358	9,658	17,016
Partner services	42,903		42,903
Payroll tax	40,959	17,554	58,513
Printing	3,045	5,851	8,896
Rent - office	55,585	13,896	69,481
Rent - storage		2,897	2,897
Repairs and maintenance		1,737	1,737
Retirement plan	39,595	16,970	56,565
Retirement plan administration fee		1,467	1,467
Salaries and wages	614,219	263,237	877,456
Sponsorships	60,775		60,775
Staff expenses	29,632	12,700	42,332
Taxes		1,007	1,007
Themed programs	1,151		1,151
Trade and media	33,568		33,568
Trade shows	16,453		16,453
Utilities	16,059	4,015	20,074
Website	82,881		82,881
	<u>\$ 3,934,300</u>	<u>\$ 533,116</u>	<u>\$ 4,467,416</u>

The accompanying notes are an integral part of these financial statements.

San Luis Obispo County Visitors & Conference Bureau, Inc.

**DBA Visit SLO CAL
Statement of Cash Flows
June 30, 2021**

**PRELIMINARY DRAFT
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Cash flows from operating activities:

Change in net assets	\$ 2,892,805
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	25,478
Changes in operating assets and liabilities:	
Accounts receivable	(1,240,294)
Prepaid expenses	(151,326)
Accounts payable	221,784
Accrued liabilities	217,138
Accrued vacation	16,953
Deferred revenue	8,026
Net cash provided by operating activities	<u>1,990,564</u>

Cash flows from investing activities:

Proceeds from maturity of certificates of deposits	399,614
Purchase of certificates of deposit	<u>(110,000)</u>
Net cash provided by investing activities	<u>289,614</u>

Cash flows from financing activities:

Proceeds from Paycheck Protection Program note payable	<u>151,056</u>
Net cash provided by financing activities	<u>151,056</u>
Net increase in cash and cash equivalents	2,431,234

Cash and cash equivalents - beginning of year	<u>632,196</u>
---	----------------

Cash and cash equivalents - end of year	<u><u>\$ 3,063,430</u></u>
---	----------------------------

The accompanying notes are an integral part of these financial statements.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Notes to Financial Statements

June 30, 2021

**PRELIMINARY DRAFT
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Note 1: Nature of Business

San Luis Obispo County Visitors & Conference Bureau, Inc. DBA Visit SLO CAL (the Organization) is a nonprofit corporation, incorporated on June 8, 1989 and organized under the laws of the State of California on July 1, 1989, for the purpose of promoting tourism, destination management, economic development and common business interest in San Luis Obispo County. The Organization's mission is to inspire travel and foster our unique experiences to create life-long ambassadors and economic growth for San Luis Obispo County.

Note 2: Summary of Significant Accounting Policies

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all demand deposits, money market deposit accounts and certificates of deposit purchased with an original maturity of less than three months to be cash and cash equivalents. The Organization did not have any cash equivalents as of June 30, 2021.

Accounts Receivable and Allowance for Doubtful Accounts

The Organization has not recorded an allowance for doubtful accounts since management believes that accounts receivable are fully collectible as they are due from governmental agencies. Any bad debts in the future would be charged off as incurred.

Fixed Assets

Fixed assets are recorded at historical cost when purchased or estimated fair market value when donated. Depreciation of fixed assets is provided using the straight-line method over the estimated useful lives of the assets. Repairs and maintenance costs are expensed when incurred. Capital expenditures over \$500 are recorded as fixed assets.

Estimated useful lives of assets are as follows:

	<u>Years</u>
Buildings and improvements	5 - 39
Equipment	5
Vehicles	5

Note 2: Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. For the year ended June 30, 2021 the Organization had no net assets with donor restrictions.

The Organization reports gifts of cash and other assets as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. The Organization reports donor restricted gifts as revenues with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when donor restrictions are satisfied. Gifts with restrictions that are satisfied within the same reporting period are recorded as contributions without donor restrictions.

Revenue and Revenue Recognition

The Organization recognizes contribution revenue when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Organization receives the majority of revenues from assessment revenue and tourist related industry programs, all of which are entirely within San Luis Obispo County. In June 2020, the Organization renewed the contract to manage the countywide Tourism Marketing District through June 30, 2030. The District provided a 1.5% assessment on all lodging room nights in San Luis Obispo County for those businesses that pay the Transient Occupancy Tax. The 1.5% assessment is recognized over time on a monthly basis.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Notes to Financial Statements

June 30, 2021

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Note 2: Summary of Significant Accounting Policies (Continued)

For the year ended June 30, 2021, Tourism Marketing District revenue was recognized from the following:

County of San Luis Obispo	\$ 2,389,326
City of Pismo Beach	1,968,260
City of San Luis Obispo	1,038,412
City of Paso Robles	986,941
City of Morro Bay	543,544
City of Atascadero	199,838
City of Arroyo Grande	148,955
City of Grover Beach	<u>70,568</u>
Total	<u>\$ 7,345,844</u>

Income Taxes

The Organization is organized as a California nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(c)(6). Annually, the Organization files a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to the exempt purposes. Management has determined the Agency is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocations

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain categories of expenses are attributable to both program services and supporting activities. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The allocation of shared expenses is based on estimates of time and effort, an estimated use percentage, or on an estimated square-foot basis.

Note 2: Summary of Significant Accounting Policies (Continued)

Donated Materials and Services

The Organization receives donations of time and services from members of the community and volunteers which are recorded in the financial statements if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In the current year the value of these donations is not reflected in the accompanying financial statements since they do not meet the two recognition criteria described. In-kind donations of fixed assets and supplies used directly by the Organization are valued at their appraised values at the time of the bequest.

Fair Value Measurements

The Organization records its financial assets and liabilities at fair value in accordance with the Fair Value Measurements and Disclosures Topic of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). This Topic provides a framework for measuring fair value, clarifies the definition of fair value and expands disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. This Topic also establishes a three-tier hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Notes to Financial Statements

June 30, 2021

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Note 2: Summary of Significant Accounting Policies (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value:

Investments: Investments are recorded at fair value based upon quoted market prices using Level 1 inputs.

This hierarchy requires the Organization to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

The following sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Certificates of deposit	<u>\$ 684,134</u>	<u></u>	<u></u>	<u>\$ 684,134</u>
Total assets at fair value	<u>\$ 684,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,134</u>

Advertising

The costs of non-direct response advertising are charged to expense as incurred. Advertising and promotion expense was \$1,859,314 for the year ended June 30, 2021.

Concentrations of Credit Risk

Major Customers

For the year ended June 30, 2021, the Organization received approximately 87% of its funding from three cities and one county. At June 30, 2021, 87% of the Organization's receivables were from the three cities and one county.

Credit Risk

At June 30, 2021, the Organization's checking and related deposit accounts, including investments, were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2021, the Organization had \$2,493,772 in excess of FDIC limits.

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

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June 30, 2021

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Note 3: Property and Equipment

Property and equipment at June 30, 2021 consisted of the following:

Furniture, fixtures and equipment	\$ 120,528
Computer hardware and software	48,169
Leasehold improvements	71,766
	<u>240,463</u>
Less: Accumulated depreciation	<u>(119,138)</u>
Total	<u>\$ 121,325</u>

Depreciation and amortization expense for the year ended June 30, 2021 was \$25,478.

Note 4: Paycheck Protection Program Note Payable

The Company has a Paycheck Protection Program (PPP) note payable to Bank of the Sierra, issued in the amount of \$151,056 on March 15, 2021. The note bears interest at a fixed rate of 1.0% per annum with interest deferred for the first six months, matures on March 15, 2026 and is unsecured. This note, guaranteed by the Small Business Administration (SBA) under the Coronavirus Aid, Relief and Economic Security Act (CARES Act) has had repayment terms extended, including the deferral of interest, under the PPP Flexibility Act of 2020. The principal amount of the PPP Loan and any related accrued interest is subject to forgiveness approval by the SBA. Management expects full forgiveness based upon costs incurred so the note is not included in the preceding table. Due to the anticipated forgiveness of the note, no related interest has been accrued as of the balance sheet date.

Note 5: Line of Credit

The Organization has a secured line of credit agreement with Bank of the Sierra in the amount of \$500,000. The line of credit has a variable interest rate of Prime plus 1.0%, which was 4.25% at June 30, 2021. The line of credit matures on October 24, 2021. At June 30, 2021, there was no outstanding balance.

Note 6: Net Assets

At June 30, 2021, the Organization had the following net assets without donor restrictions:

Undesignated	\$ 3,493,042
Designated by the board for operating reserve	<u>1,761,217</u>
Total	<u>\$ 5,254,259</u>

San Luis Obispo County Visitors & Conference Bureau, Inc.

DBA Visit SLO CAL

Notes to Financial Statements

June 30, 2021

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Note 6: Net Assets (Continued)

The Organization has an operating reserve policy and occasionally the Board designates a portion of any operating surplus for periods when there are lower than anticipated collections and unforeseeable costs in carrying out the programs.

Note 7: Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 3,063,430
Investments	326,539
Accounts receivable	1,798,175
	<u>\$ 5,188,144</u>

As part of their liquidity management plan, the Organization allows a portion of its cash to be invested for up to 24 months based on anticipated need or use. In practice, the majority of the Organization's excess cash has been placed in certificates of deposit, short-term savings and money market funds. The Organization also has access to a \$500,000 line of credit. See Note 5.

Note 8: Lease

The Organization entered into an operating lease for office space in July 2015 with an initial term of 3 years, with an option for three additional 2-year terms. The second option was exercised in December 2020 which extended the lease to March 30, 2023. Monthly rent for the office space is \$5,828. The Organization rents storage space on a month-to-month basis.

At June 30, 2021, the future minimum lease payments were as follows:

For the year ended June 30,	
2022	\$ 69,936
2023	52,452
Total	<u>\$ 122,388</u>

Rent expense for the year ended June 30, 2021 was \$72,378.

Note 9: Retirement Plan

The Organization has a profit-sharing plan. The Organization contributed \$56,565 to the retirement plan during the fiscal year ended June 30, 2021. The plan covers all employees over the age of 18 who have been employed for one year or more and have worked 1,000 or more hours during the current year. The Organization's contribution to the profit-sharing plan is not mandatory.

Note 10: COVID-19 Pandemic

The Organization has been impacted by the COVID-19 pandemic. The extent to which COVID-19 will impact business will depend on future developments and public health advancements, which are highly uncertain and cannot be predicted with confidence. Due to the uncertainty surrounding the on-going pandemic, the length and severity of the outbreak, and the disruption across supply chains, economies and financial markets, there is uncertainty as to how these events will affect results of operations in the future.

Note 11: Prior Year Restatements

During the year ended June 30, 2021, the Organization identified revenue related to the prior fiscal year that was recorded during the year ended June 30, 2021. The effect of this prior year restatement was to decrease revenue and increase beginning net assets by \$111,509 as of July 1, 2020.

During the year ended June 30, 2021, the Organization identified accrued vacation relating to prior years that was recorded as a liability as of June 30, 2021. The effect of this prior year restatement was to increase the liability and decrease beginning net assets by \$20,667 as of July 1, 2020.

Note 12: Subsequent Events

Events subsequent to June 30, 2021 have been evaluated through September 2, 2021, which is the date the financial statements were available to be issued. Management did not identify any subsequent events that required disclosure.

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**San Luis Obispo County
Visitors and Conference Bureau, Inc.**

Recommendations to Management

June 30, 2021

DRAFT

September 2, 2021

The Board of Directors
San Luis Obispo County Visitors and Conference Bureau, Inc.
DBA Visit SLO CAL
San Luis Obispo, California

In planning and performing our audit of the financial statements of San Luis Obispo County Visitors and Conference Bureau, Inc. DBA Visit SLO CAL (Visit SLO CAL) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered Visit SLO CAL's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Visit SLO CAL's internal control. Accordingly, we do not express an opinion on the effectiveness of the Visit SLO CAL's internal control.

This letter does not affect our report dated September 2, 2021 on the financial statements of Visit SLO CAL.

During our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are as follows:

Revenue Recognition

During our testwork of revenue and accounts receivable, we noted that Tourism Marketing District revenue related to May and June at the end of each fiscal year are estimated based upon expected activity and historical trends. When the cash is received in the subsequent fiscal year any difference between the estimates and actual amounts received are recorded at that time. This results in a difference in revenue recognition between fiscal years.

Accounting principles generally accepted in the United States of America (GAAP) requires revenue to be recognized in the period earned. Although the difference between the revenue estimated and what is actually received could be immaterial and has been in prior years, it resulted in an adjustment of revenue of \$111,509 related to the year ended June 30, 2020 that was recorded in revenue for the year ended June 30, 2021. As a result, a prior year restatement was reflected in the financial statements to reduce revenue for 2021 and increase net assets as of June 30, 2020.

We recommend that additional time be taken during the year-end accounting process to more accurately record and update the revenue and related accounts receivable for Tourism Marketing District revenue.

Accrued Vacation

Accounting under GAAP requires that compensation for any future absence that has vested be accrued as a liability. During our testwork of liabilities we noted that vacation earned but not yet taken was not accrued as a liability as of June 30, 2021. As a result, a prior year restatement was reflected in the financial statements to reduce net assets as of June 30, 2020 and increase the vacation liability by \$20,667.

We recommend that in addition to accrued vacation, management should track any deferred compensation, sick leave, or other employee compensation that will be payable in the future for services rendered and vested during the current fiscal year.

Monthly Bank Reconciliation Review

During our testwork over internal control and cash, we noted that although the President & CEO reviews the monthly bank statements, the monthly bank reconciliations are not reviewed with them.

Although Visit SLO CAL has added this control to improve segregation of duties, we recommend that this review step also include the bank reconciliations to ensure that all cash transactions are properly reviewed.

Net Asset Classifications

When presenting net assets in the financial statements under GAAP, they are classified as either *With Donor Restrictions* or *Without Donor Restrictions*, or unrestricted. Board-designated net assets may be earmarked for future programs, investment or other uses and presented in the footnotes of the financial statements.

We noted that annually the board has designated a portion of any net asset surplus as an operating reserve which is presented as an expense in the Statement of Activities. The accounting for these board designated net assets occurs within the net asset classification and should not affect operations and the Statement of Activities.

The Board of Directors
San Luis Obispo County Visitors and Conference Bureau, Inc.
DBA Visit SLO CAL
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Our comments are not intended as criticisms of any individuals within the organization, but rather are presented as constructive suggestions to assist in the continuing effort to strengthen operating controls and procedures and to improve the effectiveness of its financial management. We would like to take this opportunity to express our appreciation for the courtesy and cooperation extended to us by the management and staff of Visit SLO CAL during the audit.

We will review the status of these comments during our next audit engagement. We are available to answer any questions that you may have related to the control deficiencies we identified during your audit or discuss the benefits and associated costs of any options you have for remedying them if you would like to do so. If you would like to set up a meeting to discuss this communication or Visit SLO CAL's internal controls, please feel free to contact us.

Glenn Burdette Attest Corporation
San Luis Obispo, California

September 2, 2021

Board of Directors
San Luis Obispo County
Visitors and Conference Bureau, Inc.
DBA Visit SLO CAL
1334 Marsh Street
San Luis Obispo, CA 93401

We have audited the financial statements of San Luis Obispo County Visitors and Conference Bureau, Inc. DBA Visit SLO CAL for the year ended June 30, 2021, and have issued our report thereon dated September 2, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 2, 2021. Professional standards also require that we communicate to you the following related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by San Luis Obispo County Visitors and Conference Bureau, Inc. DBA Visit SLO CAL are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were:

- Accounts receivable allowance
- Allocation of expenses for the statement of functional expenses
- Revenue recognition

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 7 – Liquidity and Availability
- Note 11 – Prior Year Restatements

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 2, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Organization’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

This information is intended solely for the use of the Board of Directors charged with governance and, if appropriate, management of San Luis Obispo County Visitors and Conference Bureau, Inc. DBA Visit SLO CAL and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Glenn Burdette Attest Corporation

Re: Vacation Rental Seat

Applicant: Bryan Bonelli

Paso Robles Vacation Rentals

Owner/General Manager

Direct: (619) 957-1633

Email: pasostay@gmail.com

To the powers that be,

I am very interested in filling the open vacation rental seat on the SLO CAL board. I have been living and breathing everything short-term rentals for the past six years as the general manager of Paso Robles Vacation Rentals. Based in Paso Robles, we have 120 vacation rentals under management, all of which are located in San Luis Obispo County. Our rentals are spread across Paso Robles, Atascadero, Templeton, Creston, San Miguel, Shandon, Lake Nacimiento, Santa Margarita, and Cayucos.

Since joining Paso Robles Vacation Rentals, I regularly attend industry conferences/webinars to stay current with the macro environment, general direction, and best practices for short-term rental management. Previously, I was very involved in the lengthy discussion and development of a short-term rental ordinance in the city of Paso Robles, that was passed nearly two years ago. I believe I would be able to contribute a great deal of knowledge related to revenue management, travel trends, supply/demand, OTA functionality, software connections, compliance with local rules & regulations from an operating standpoint, and other crucial components that help comprise successful and responsible management of vacation rentals in our area.

I have had the privilege of sitting in on a few meetings and various seminars put on by the Visit SLO CAL team over the past several years. I have long been impressed with the great work, excellent communication, and effectiveness of this group. I hope I might be considered for this board seat and will eventually have a chance to make similar contributions.

Regards,



Bryan Bonelli



VISIT SLO CAL

BOARD APPLICATION FORM

NAME OF APPLICANT: Bryan Bonelli

COMPANY: Paso Robles Vacation Rentals

ADDRESS: PO Box 4129

PHONE: 619-957-1633

EMAIL: paso stay@gmail.com

TOTAL YEARS IN HOSPITALITY INDUSTRY: 6 years

BACKGROUND EXPERIENCE: Payroll, Book keeping, Tax preparation for small businesses & individuals. Within hospitality - payroll, marketing, revenue management, business development, & management of staff.

Employment History

CURRENT EMPLOYER: Paso Robles Vacation Rentals YRS OF SERVICE: 6 years

TITLE: General Manager / Owner

PAST EMPLOYER: Advantage Business Solutions YRS OF SERVICE: 8 years

POSITION: Tax Accountant

Community/Board Involvement

ORGANIZATION: N/A

TITLE: N/A

DATES OF INVOLVEMENT:

ORGANIZATION:

TITLE:

DATES OF INVOLVEMENT:

ORGANIZATION:

TITLE:

DATES OF INVOLVEMENT:

From: [Karen Tallent](#)
To: [Brendan Pringle](#)
Subject: Board Seat - Vacation Rental
Date: Thursday, August 12, 2021 8:25:59 PM
Attachments: [1592004837158001_1569577774.png](#)
[Board Application Form - completed.pdf](#)
[Board Member Guidelines 0f5f1e57-046e-4bde-9772-9f3d0d9b9287.pdf](#)

Hello Brendan:

Please let this note serve as my cover letter regarding my interest in this seat. I am a big fan of Visit SLO Cal and we have enjoyed a number of opportunities to work with your team over the years.

Attached is my completed application form & signed guidelines.

I enjoy a challenge and I think Visit SLO CAL has some delightful challenges ahead in expanding and monetizing some of the additional activities that the vacation rental experience offers the increasing rate of visitors to the region.

My MBA is in marketing, my BS is in business management but my experience across a breadth of industries has made my decade on the Central Coast successful and personally rewarding. It is time to give back now where I can be useful.

Thank you for the opportunity to throw my hat in the ring! --KT

Karen V. Tallent, President
The Groves on 41
4455 East Highway 41
Templeton, CA 93465

Phone: (805) 466-1542
Mobile: (310) 721-5705
www.thegroveson41.com





Visit SLO CAL BOARD APPLICATION FORM

NAME OF APPLICANT: Karen V Tallent

COMPANY: The Groves on 41, a CA Corp

ADDRESS: 4455 East Highway 41, Templeton, CA 93465

PHONE: 805 466 1542

EMAIL: karen.tallent@TheGrovesOn41.com

TOTAL YEARS IN HOSPITALITY INDUSTRY: 8 years with our vacation rental, decades serving the hosp

BACKGROUND EXPERIENCE:

Hands on operation and promotion of our successful vacation rental that includes carefully executed private parties and events. It is important to the area that this tourism flourish while "party houses" are discouraged.

Employment History

CURRENT EMPLOYER: The Groves on 41, a YRS OF SERVICE: 10

TITLE: President, farmer

PAST EMPLOYER: Walker Parking Consultan YRS OF SERVICE: 2

POSITION: Sr. Consultant

Community/Board Involvement

ORGANIZATION: Central Coast Olive Growers TITLE: Secretary

DATES OF INVOLVEMENT: 2011-2018

ORGANIZATION: Toastmasters

TITLE: Secretary

DATES OF INVOLVEMENT: 2003-2007

ORGANIZATION:

TITLE:

DATES OF INVOLVEMENT:

For more information, contact Visit SLO CAL at 805-541-8000.

DRAFT

Events & Festivals Strategy Phase I: Working Group Facilitation

Visit [SLO CAL](#)

9/9/2021

Submitted by Coraggio Group

503.493.1452 | coraggiogroup.com



coraggiogroup

About Us



Since 2005, our consultants have been helping leaders to envision their organization's future, create exciting plans, and foster the agile teams and cultures they need to get there. We've collaborated to develop bold strategies, support big change initiatives and engage those whose voices needed to be a part of the conversation. Our dynamic Portland-based team brings an unusual blend leadership experience, business acumen and creativity to every project, helping our clients to take the big—and, often, courageous—leaps necessary to achieve their most ambitious goals.

We work in a lot of fields, but there's a common thread to all of our work—the spirit of Coraggio. If you haven't experienced a consultancy like ours before, that's because there isn't one.

Coraggio's Areas of Expertise

Strategic Clarity and Planning

We work with leadership teams and stakeholder groups to create clarity and alignment in business strategy and planning. Common outputs of this work are long-term strategic clarity frameworks, strategic plans, business modeling, and implementation plans.

Executive and Organizational Development

We provide counsel, coaching, and facilitated development work with executives and teams. We also work with leadership teams and their business partners to design and implement organizational development strategies.

Organizational Change and Transitions

We design, plan, and implement organizational change initiatives. We take a systems-level approach to organizational change that integrates strategy, leadership, structure, culture, processes and systems in order to create positive, lasting change.

Change Management

We establish change management methodologies for clients who are tackling complex change initiatives, including significant organizational restructures, leadership communication strategies, risk assessments and mitigation and change implementation planning.

Process Development and Improvement

We offer business strategy consulting, which includes providing guidance on how to improve processes and overall effectiveness. We also assist teams to effectively and efficiently implement business plans. We have deep expertise in process assessment and diagnostics aimed at helping clients to significantly improve efficiency and service delivery. As part of our process improvement work, we design implementation roadmaps and provide practical guidance and facilitation to ensure success.

Leadership/Stakeholder Group Facilitation Processes

We offer deep experience in helping diverse stakeholder groups—within individual agencies or across multiple organizations—to successfully manage sensitive dynamics, have “real” conversations, and collaborate to reach reasonable solutions and a new common ground that result in tangible outcomes.

Organizational Assessment

We make recommendations on organizational structure and development based on an understanding of your mission, strategic objectives, and resources. Our analysis includes identifying strengths and weaknesses within the organization as well as actions to take to better deliver on operational goals.

Project Scope

Our approach to the Events & Festivals Working Group facilitation will be rooted in **Change Management** principles. We will use our training in this methodology, combined with our understanding of your communities, to craft a facilitation approach that will gain the greatest buy-in in the shortest timeframe.



Phase One: **Get Clear**

Kickoff Phone Call

To build a foundational understanding of your current situation and your needs for the project, we will meet with key members of the Visit SLO CAL team for a 90-minute telephone work session. We will prepare an outline and educated questions for this conversation and what we learn in this working session will shape our approach to the survey design and facilitation.

Survey Development and Analysis

Prior to the facilitated working group sessions, we will develop and deploy a confidential/anonymized investor/stakeholder survey that will allow you to gain broad input about your community's priorities for events & festivals. We will include the potential challenges you have identified in the survey to deepen our understanding of what hurdles the E&F Strategy development process might encounter, including:

- Potential conflicts with existing local events & festivals strategies
- Fear of not including legacy events
- Lack of distinction between community events and tourism-related events
- Resistance to broader buy-in
- Lack of understanding of the benefits of the E&F Strategy

We will also ask questions more broadly than these issues to ensure we are capturing other issues that may need to be overcome through the facilitated conversations. Through the survey, we will be able to understand which of these issues provide the greatest possibilities of community resistance, which will set us up to leverage change management principles to mitigate these challenges.

Change Management Analysis

We will also, at this stage of the work, assess the likely Events & Festivals changes for your communities through a Change Management lens to understand the scale of the change and to strategically shape our approach to the facilitation.

Phase Two: Get Focused

Events & Festivals Working Group Sessions (2)

We will conduct two three-hour working sessions with your identified Events & Festivals Working Group, consisting of your investors, partners, and stakeholders. These meetings will seek to achieve the following goals:

- Build investor/partner/stakeholder understanding of the need for an Events & Festivals Strategy
- Gain alignment on the genesis of this initiative and its importance for SLO CAL's success
- Develop understanding and approaches that address chief community concerns about the Events & Festivals Strategy
- Build alignment around what the process will look like and what consultant requirements will be important
- Build alignment around common goals for the Events & Festivals Strategy

Using two shorter working sessions vs. one longer one is a strategic choice, given the possibility of challenges arising during the meeting(s). What is uncovered in the first three-hour session may be mitigated or addressed between sessions to clear the way to arrive at final agreements in the second session. This could include individual outreach, an adjustment to the facilitation approach, or an adjustment to the goals of the facilitation process.

Phase Three: Get Moving

Concluding Report: Guidance for Events & Festivals Strategy RFP

When we have completed the working sessions, we will synthesize what we learned and what was agreed upon into a “brief” that Visit SLO CAL can use in the development of its RFP for an Events & Festivals Strategy consultant.

Project Team



Matthew Landkamer

Travel & Tourism Practice Lead

As the lead of Coraggio's Travel & Tourism practice, Matthew focuses on bringing strategic thinking and an innovation mindset to destination marketing organizations and attractions alike. His art and design background, combined with hands-on business experience, allows him to bring a unique balance of creative design thinking and strategic rigor to each of his client engagements. He is a skilled facilitator and problem solver with an impressive ability to start the conversations that need to be had inside organizations, and among organizational leaders—the kind of conversations that lead to valuable insights, bold thinking and needed results.

He has worked with tourism organizations at every scale—from rural communities such as Visit Casper and Visit Mendocino County; to metropolitan destinations such as San Francisco Travel and Travel Portland; to state tourism agencies such as Visit New Hampshire and Visit California; and to tourism attractions such as NBC Universal Studios Hollywood. He is keenly interested in fostering regional collaboration in destination marketing and in bringing the voice of the visitor into the room as a strategic input, and is trained in Prosci™ Change Management.

When he isn't working with his clients, you'll find him in his painting studio, strumming a guitar, or hoisting a backpack and getting "lost" on a beautiful Pacific Northwest trail.

Investment

For the work described above, we estimate consulting fees of \$9,100. Costs for travel will be additional, billed through at cost.

Terms

We typically invoice on a monthly basis for work completed during that month. All invoices are due net 15.

Signed

Chuck Davison
President & CEO
Visit SLO CAL

Trever Cartwright
President
Coraggio Group



Visit SLO CAL Customer Service Training Initiative Statement of Work

Version 4.5

Submitted to:

Melissa Murray
Project Manager, Destination Management

Submitted by:

Greg Surbey
Founder and Managing Partner - ICOM Productions Inc.

Submitted On:

September 3rd, 2021

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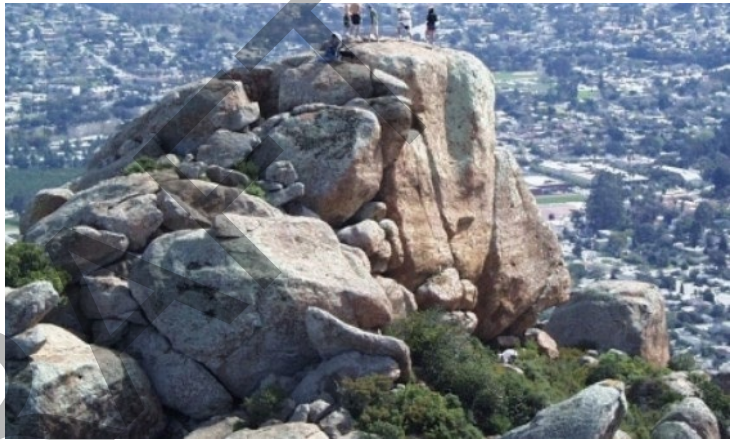
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Executive Summary

ICOM Productions is excited to provide an additional proposal encompassing a broader range of customer service topics for the Visit SLO CAL educational portal.

Over the past several years, ICOM has honed our chops when it comes to developing trailblazing tourism programs designed to educate frontline hospitality professionals about the nature and nuances of the communities where they live and work. In fact, our partnerships with top tourism organizations have resulted in award-winning initiatives and global recognition for their innovation and ingenuity. Tourism Calgary's leading-edge Whitehat Academy takes pride of place on our ever-growing roster, and it's this impressive program that led to our introduction to Visit SLO CAL.



Using Breaze, an avant-garde learning platform developed by our in-house team, we transformed Tourism Calgary's content, images, and videos into a state-of-the-art training program for frontline hospitality staff. Now, we're proposing to use this same platform to produce a forward-looking education program for Visit SLO CAL's Customer Service Training Initiative.

Imagine learning as a journey. Each student gets a boarding pass that ensures they take the right trip at the right time, with checkpoints along the way to make sure they're headed on the correct path. This is what Breaze can do for you. As Community Customer Experience Representatives progress along their learning journey through Breaze, they collect tokens for completing activities and reviewing content. These tokens eventually lead to certification and incentive rewards.

As an added bonus, Breaze collects data and creates reports about how Community Customer Experience Representatives interact with the platform, including completion rates and learner interest in the different sections of the Customer Service Training Initiative. Visit SLO CAL administrators can then use these performance indicators to measure the success of the program, tailor marketing initiatives to learner interests, and create new content that targets specific audiences. And because Breaze makes updating and creating content easy, Visit SLO CAL can adapt to changing strategies and market trends in real-time.

As we begin to emerge from the shadow of the COVID-19 pandemic, our top priorities continue to be the health and well-being of our employees and ensuring uninterrupted service to our customers and partners. At ICOM, we've had the good fortune to maintain our service integrity throughout lockdowns, and we even saw new growth across our organization. Our systems remain "tried and true" as we maintain our quality and commitment to learning.

I hope you choose ICOM as your travel partner and allow us to help build an amazing Customer Service Training Initiative.

Greg Surbey – Founder, Managing Partner
ICOM Productions



About ICOM

Who We Are

Since 1996, ICOM has been at the forefront of digital learning. With more than 20 years of experience partnering with some of the world's largest and most dynamic organizations, ICOM has cultivated a unique perspective on the development of online education. Using fundamental learning methodologies to create high-impact solutions, we define ourselves as a learning company first and a technology company second. ICOM has more than 50 staff between our offices in Toronto, Vancouver, and Calgary.

Mission and Vision

It's ICOM's mission to challenge and inspire the world to learn differently. Our vision is to create better ways to improve our clients' performance through learning. Each one of our innovative learning solutions, products, and platforms supports this vision. From modifying behaviors to driving business objectives, ICOM helps produce real on-the-job results.

Market Opportunities

Focused on delivering online solutions to diverse audiences worldwide, ICOM has had the opportunity to work with a large array of organizations, educators, and institutions. Over the past five years, ICOM has collaborated with more than 175 unique organizations, developing more than 700 custom learning initiatives, videos, and programs. These projects have ranged in value from \$5,000 to more than \$2 million and include the development of online and classroom training, lesson plans, curriculum design, videos, marketing and communications tools, virtual reality and augmented reality training, and custom tracking and reporting technologies.

Competitive Advantage

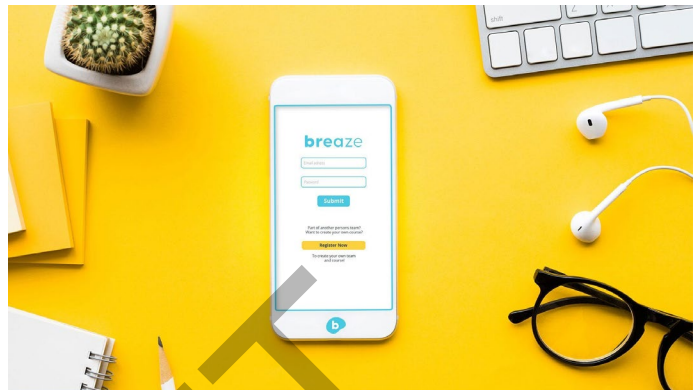
ICOM is unlike other marketing and video production companies because our primary focus is on education. While our products look great, the animations, 3D, and video always enhance the key learnings. We don't use graphics gratuitously. We do what is right for our clients to ensure the best learner engagement and learning transfer.



About Breaze

Breaze allows your entire team to create, curate, and share all types of content—from videos and PDFs to eLearning, links, and more. Just like a traditional LMS, Breaze tracks and reports on learner interactions, but it turns the paradigm upside down. Breaze puts the learner in the spotlight so you can easily create a meaningful experience for your entire team.

We challenged the ICOM team to think differently about the way we learn. The result is Breaze, and it's one of the first platforms of its kind. For most of us, learning is an event. We sit in a classroom, watch a video, or take a course, and then it's over. But we believe it shouldn't end there. It's time to refresh the way we think about learning. Learning should be an ongoing journey—something that grows as you grow.



For years, we've sacrificed great learning in favor of tracking and reporting. But what if you could have both? What if you had the power to create an exceptional learning experience and still have access to meaningful data? Breaze lets you do just that. Learning shouldn't have to fit into a system. It should be dynamic and evergreen. Breaze empowers your experts to create and share their own content in whatever way results in the best experience for the learner.

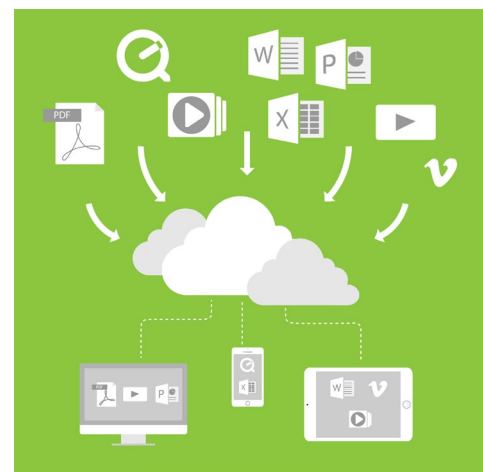
Organize Efficiently, Collaborate Effectively

With Breaze, there's no need to upload content into the system. Instead, you can link directly to the content wherever it currently lives within your organization. If your videos are on YouTube, simply link them to Breaze. The same goes for documents and PDFs that live in a file-sharing platform like SharePoint. Breaze lets you create a carefully curated collection of content.

Flexible and Scalable

Breaze can grow to any size and assimilate to any environment. If you've got a big company with a lot of content, there's no limit to how big Breaze can grow. But it's also a great way for smaller organizations to keep their content organized. The best part is that Breaze grows when you grow.

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Just-in-Time, Mobile Learning

Breaze is completely mobile, so users can access materials any place, any time. The responsive format allows users to take training on any type of device, from traditional laptops and desktop computers to smartphones and tablets.

No matter where you are in the world or the type of device you're using, you can always get at all of the job aids, reference guides, and tools you need. Breaze's eye-catching, responsive design adjusts to your screen size, so you get the best experience every time you log on. And the best part is, you won't need any special training. Breaze is entirely intuitive to use.



Always Up to Date

Never lose sleep worrying if everyone on your team has access to the most up-to-date content. With Breaze, you can rest assured the latest and greatest is always available. You can make changes to Breaze anytime, day or night. And with one click of a button, your updates are published in real time—no delays. Your changes are pushed out to your entire audience all at once.

Authoring Capabilities

Creating content doesn't get any easier than Breaze. Thanks to Breaze's user-friendly authoring tools, you can instantly add, edit, or create new content with just a few clicks of a mouse. And the whole process is completely collaborative—you can give anyone you want the power to help you create.

Breaze comes with easy-to-use templates branded with your company logo and colors. It even has tools like surveys, evaluations, and rolling question banks for comprehensive learning measurement. Simply select from a list of media-rich content options, add your unique details, and save your changes. It's that easy.



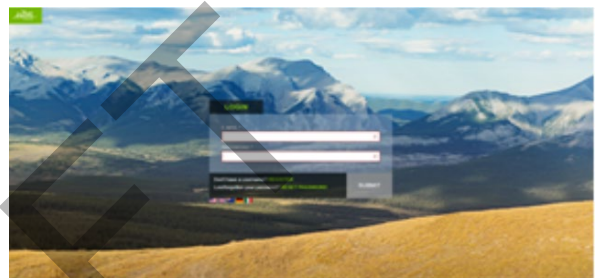
Robust Reporting and Analytics

Breaze is much more than just a way to create and curate content. We know you want to develop great learning. But we also know you need to do your due diligence to track compliance and other data. Breaze gives you the flexibility to do both.

Because Breaze leverages secured LMS data structures, it launches and tracks SCORM-compliant products. This means your administrators can gather all the data they need to make sure you're creating a team of active—and compliant—learners.

The Customer Service Training Initiative

Our vision for the Customer Service Training Initiative is to develop a compelling and exciting informational learning experience for SLO CAL's frontline workers. We will start with a self-registration Breaze portal that opens to a well-designed learning path. The portal includes:



- Options for privacy and anti-spam regulations
- The domain name as part of the licensing services
- Availability on iOS and Android, including cell phones, tablets, Macs, and Intel devices

Inside, the portal has the ability to support multiple curriculum offerings. You can have as many modules and learning paths as you would like. The portal is evergreen, so you can continually add, remove, and edit content as needed. You can grow and expand your offerings at any time. As part of this scope of work, we have proposed a learning outline for the program; however, Breaze can hold an unlimited amount of content. You can choose to divide this content into as many modules as needed for the learner experience.

Learners will be able to work through the experience on their own schedule. As their progress is tracked, they can pick-up where they left off. The modules will be treated in a mandatory and optional manner. For example, Modules 1 and 2 can be locked so learners must complete them in sequence, while other modules can be unlocked and viewed at the learner's own pace or used as a refresher tool. Once unlocked, the learners will have ready access to that content for easy reference.

Each of the learning modules will be uniquely branded using the Visit SLO CAL brand, colors, and logo and will include custom graphics and templates that are similar in look and feel to those used in the Tourism Calgary Whitehat Breaze portal. The modules will contain key features to ensure learner engagement and learning measurement.

Content

- Since Breaze is designed to be consumed while scrolling, the subject matter is self-contained to each page.
- Third-party materials, such as courses, websites, PDFs, videos, and other details, can be easily incorporated into the Breaze platform in their existing format.

Learning Measurement

- As this is a certification module, learning can be measured using a number of engaging methods, such as drag-and-drop, matching, and multiple-choice questions.

Certification and Achievements

- As the learner completes sections of the course, they can unlock “Achievements” or “Badges” to reward their progress.
- Upon successful completion of the program, the candidate will achieve certification. They can then print a wall or wallet certificate and post their achievement on social media.

Feedback

- Breaze provides built-in feedback registers that allow us to poll our audience and track and report on each learning module.

Reporting

- We collect a vast amount of learning data with Breaze, tracking everything from completion to compliance. Our work with Visit SLO CAL is not to decide what data to collect, it's to decide what is relevant to show. We will work with your team to create a meaningful and purposeful dashboard, but our recommendation for data includes:
 - Overall completion
 - Completion by user
 - Completion by segment (e.g. hotel, restaurant, winery)
 - Knowledge check performance, pass/fail, number of attempts
- Please note: User collection data such groups will be established during the Job Application Development phase (JAD). We will work to understand and suggest group types for Visit SLO CAL.

Our Approach

Analysis and Design Phase

Over the years, ICOM has built many custom solutions for clients looking to resolve the same concerns Visit SLO CAL faces with an online learning portal. ICOM has achieved success for these clients because we strike a unique balance in the amount of education, technology, and client input we infuse in our products. ICOM uses Bloom's Taxonomy of Learning, a trusted and proven learning methodology, in every product we develop. Before any of our learning solutions are put into production, they first go through a planning phase where the existing content is examined and learning objectives are determined based on what the target audience is expected to know, feel, and do when they have completed the training.

As part of ICOM's development process, we start every project with a [Learning Outcomes Session](#). During this session, we identify how best to present Visit SLO CAL's learning outcomes to the targeted group of learners. After the [Learning Outcomes Session](#), ICOM solidifies a Project Outline. As part of this phase, the curriculum will be developed by ICOM's instructional design team in collaboration with Visit SLO CAL's subject matter experts (SMEs), [the CST Working Group](#). Together, they will organize the learning objectives and assessments to create a high-level overview of the Breaze content.

Local Expert

We will look to the Visit SLO CAL team to provide existing video, graphics, pictures and core content for the local expert portion of learning. Our instructional design and graphics teams will take it from there.

Once Visit SLO CAL is confident the product outline meets the learning needs, ICOM will use the outline to create the course script, or design document. The instructional designer will work closely with Visit SLO CAL's SMEs to flesh out the details of the script until a final draft is approved.

Customer Service

ICOM has a tried and tested Customer Service program that will be utilised for Visit SLO CAL. The outline of which is provided here:

CUSTOMER SERVICE: Foundations of Customer Service

- Relationship between service quality, customer experience, and business objectives
- Tailoring service to meet and exceed customer expectations
- Communication etiquette and service recovery techniques
- Using metrics to assess customer experience and service quality
- Role of front-line employees in businesses success

Destination Ambassador:

- Make a great first impression with visitors
- Establishing consistent community health and safety practices
- Rebuilding customer confidence to travel safely post-COVID
- Understanding the importance of tourism and how it benefits your local community
- Identifying different visitor profiles and reasons they visit your area
- Understanding how to best promote products and services your community has to offer
- Enhance the visitor experience so guests want to return

Service for All:

- The origin of stereotypes and how to avoid them through empathy and sensitivity
- How to use professionally appropriate language when delivering diverse service
- Practical tips and information to help you adjust your customer service delivery to meet diverse customer needs including different generations, persons with disabilities, individuals within the LGBTQ/2S community, Indigenous peoples, immigrants, and more

ICOM will work with Visit SLOCAL to ensure the Customer Service program meets their needs and is customized should it differ.

Development

Once our script enters into the development phase, we will already have a clear idea about how the product will look and how the content will be delivered using iconography, images, motion graphics, custom video, and more. In addition to building an outstanding product with plenty of bells and whistles, we know it also needs to be an effective learning tool. For this reason, ICOM has built in client review points throughout our development process to ensure the product meets—and exceeds—your learning objectives.

The first step in our development stage is to deliver an Alpha product. This is a vertical slice of your product, showcasing the look and feel of both the interface and content. Here, you'll get a chance to see how we've incorporated your branding and visual elements with the script. Once the Alpha is approved, we begin the Beta development process. Using the Alpha as our guide, the first Beta product provides the client with a look at the product as a whole, in a fully functional state. Typically, we consider the Beta to be 90 to 95 percent complete and expect minor tweaks.

Once we receive your feedback, we will develop the Final Beta product that is ready for approval and sign-off. At this stage, you'll have a chance to ensure we've accurately input your feedback and that the product is ready for deployment. Using metrics from Breaze's reporting features, we will establish which components of the program are successful and which ones may need to be altered to increase user engagement.

Development Phases for the Breaze Solution

A detailed and structured Project Plan will be developed by the ICOM project manager. It will contain all necessary components, milestones, and deliverables for this project. The overall phased approach will include the following steps:

1. Conversations will be held between both teams to determine and confirm all necessary components required for the Breaze solution. This phase will include the Visit SLO CAL branding team. The focus of these sessions and conversation is to ensure the technical and branded aspects of the solution align with Visit SLO CAL's requirements
2. A Breaze initialization session will be conducted to confirm all technical aspects of the project and define the needs and goals of Visit SLO CAL in regard to:
 - General concepts, topics, information, and delivery methods
 - Technical requirements
 - Competency checks and evaluation tools
 - Reporting requirements
 - Document management
3. ICOM will then develop Breaze as specified.
4. User acceptance testing is conducted before the portal goes live to your learners.
5. The Visit SLO CAL Breaze portal is deployed, and the system is set to "Live" status, which enables Visit SLO CAL employees to use the system.

Implementation

The Breaze solution will pass through a series of Alpha and Beta phases before the product is launched. ICOM's thorough quality-assurance process ensures the Breaze is fully functional before it ever reaches end users.

The Breaze offers numerous options for users to log on to the system and can be rolled out in phases. To begin, ICOM recommends implementing a self-enrollment option. This will make the tool available to anyone who wishes to enroll in the system. Stricter control features can be added in future phases. For example, the enrollment option can be changed to allow Visit SLO CAL more control over who accesses the system.

Project Staffing

ICOM will provide a dedicated project team and ensure the most effective resources are put in place to meet SLO CAL's business and learning objectives. The following provides an overview of the team members' skills and experience. These individuals will oversee the project and ensure the deliverables are completed on time and budget.

Loren Basque, Project Management

As Associate Director of Operations, Loren Basque is responsible for several operational tasks, such as contractor management, operational sales support, and Statement of Work standardization. She brings over 5 years of project management experience to her role with PMP Continued Education courses beyond University. Along with her operational duties, Loren is also the specialist project manager for a number of ICOM's high-profile clients, such as Edmonton Tourism, Utah Office of Tourism and Ottawa Tourism. As part of her dual role at ICOM, she expertly controls a number of challenging projects and ensures their success. We believe her experience in DMO clients will make her ideally suited to project manage Visit SLO CAL.

Jennifer Burnell, Instructional Design

With more than 20 years of educating and training people, Jennifer applies tried and true skills, humour, creativity, and a continued drive for excellence to bring positive change for learners, teams, and businesses. As a seasoned instructional designer, Jennifer has a significant background in developing high-end training solutions, including E-Learning, instructor- and virtual instructor-led training, and blended learning programs. Be it creating training for 10 people or rolling out training for 10,000 employees, Jennifer is known for jumping into the trenches with the client to understand their challenges and identify the right learning solutions. Experienced in handling large review groups, Jen applies numerous techniques to make sizable stakeholder groups feel heard and to synchronise multiple pieces of feedback. In addition, Jen has been the Instructional Designer for DMO's, such as Utah Office of Tourism.

Colin Bittner, Content Development

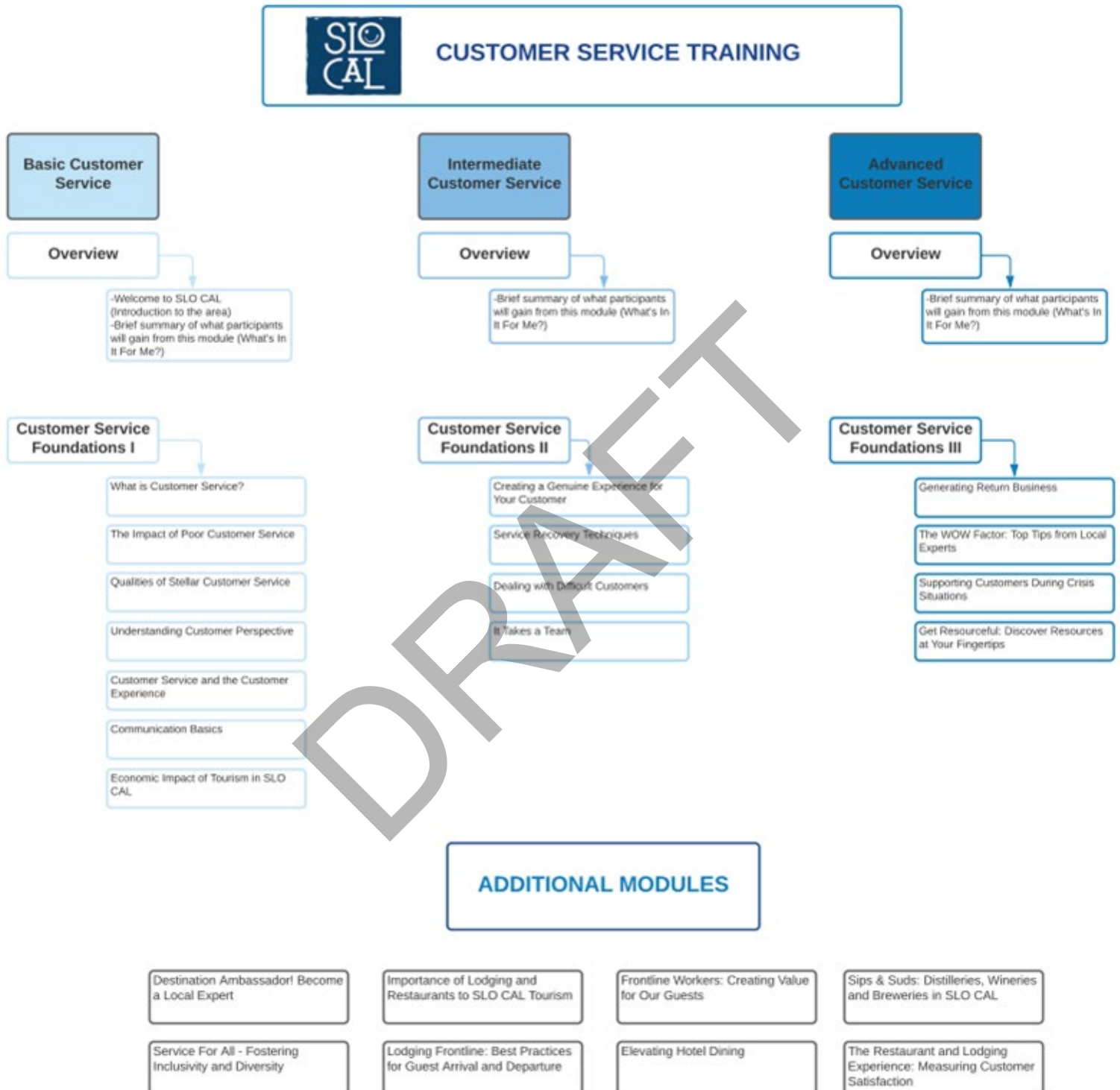
As senior lead of content development, Colin brings instructional design to life in the form of E-Learning, interactive components, and other products, such as mobile and classroom learning. Colin is a seasoned graphic artist and computer expert, specializing in Storyline and web-based training products. He has been responsible for the successful design, development, and deployment of over 400 SCORM CBTs in his 7 years at ICOM, for over 100 individual clients, including Fortune 500 companies in oil and gas, mining, transportation, food service, and entertainment. In addition Colin has led the team that built Edmonton Tourism and Utah Office of Tourism. Colin aims to deliver accurate, high-quality products that exceed client learning goals, while looking and operating at an industry-leading standard.

Heather Hudak, Quality Assurance

As the team lead of quality assurance, and seasoned tourist, Heather brings more than 20 years of experience as a writer, editor, and instructional designer to each project. Heather joined the ICOM team as a project manager, writer, and instructional designer nearly a decade ago and has since become an integral member of the leadership team. Heather ensures top-quality results for our clients by overseeing script, content, and functionality reviews for every product. Prior to working at ICOM, Heather spent 10 years in educational publishing as the managing editor for Weigl Publishers. It is this experience that makes her the ideal team member to ensure the quality of the Visit SLO CAL experience. In addition, Heather led the QA on Travel Alberta, White Hat Academy, Edmonton Tourism and Ottawa Tourism.

DRAFT

Proposed Outline



In our curriculum brainstorm session, we discussed a graduated approach, scaffolding the learner from basic to more nuanced levels of knowledge. All sections are valuable and viewable on their own, ensuring a modularity that hits all learner types.

It breaks down as follows:

BASIC CUSTOMER SERVICE

Overview

This is the landing page designed specifically for SLO CAL tourism industry. In addition to exceptional branding and engagement, this is the hook for the rest of the program, where the learner gets an instant understanding about the learning on which they will embark. It will introduce participants to the SLO CAL area, the value of tourism and the important role that customer service plays in SLO CAL tourism. Finally, the overview will firmly set the “What’s in it for Me?” proposition for the participant.

Customer Service Foundations I

This is built as a comprehensive and practical introduction to customer service best practices. With the foundational elements laid out in its core components, this unit will be an essential first step for all customer service professionals.

What is Customer Service? - Think of this as Customer Service 101: we want to set up the foundation for our learners about the value of customer experience. and how it services our needs.

The Impact of Poor Customer Service – Tourism thrives on positive customer experiences. But, did you know that customers are twice as likely to share a negative experience than about a positive experience? Take this module to understand the impacts of poor customer service and how good customer service is critical for the success of our SLO CAL region.

Qualities of Stellar Customer Service – From being courteous and flexible to being a quick problem solver, discover what it takes to deliver stellar customer service every time.

Understanding Customer Perspective -- When we put ourselves in our customer’s shoes, we naturally deliver better customer service. Find out how to understand a customer’s perspective through practical scenarios that you can use with your customers.

Customer Service and the Customer Experience – Participants will develop an understanding of the relationship between customer service and the customer

experience. Participants will also refine skills to effectively promote products and services to support the client experience. It's not about promoting everything – it's about identifying customer needs and selecting the right products and services that will enhance the customer's SLO CAL experience.

Communication Basics – Communication skills are essential for creating exceptional customer experiences. This unit will look at the etiquette and differences for in-person, phone and electronic communication.

Economic Impact of Tourism in SLO CAL – 1 out of 6 SLO CAL jobs depend on travel and tourism, and travel spending results in millions of dollars being invested directly into our communities. This module will explain the importance of tourism to the SLO CAL region and citizens.

INTERMEDIATE CUSTOMER SERVICE

Overview

The overview will firmly set the “What’s in it for Me?” proposition for the participant for the intermediate level training.

Customer Service Foundations II

This program introduces intermediate level customer service best practices, focusing on elevating the customer experience through customer service communication and conflict resolution.

Creating a Genuine Experience for Your Customer – This module explores what it means to create a genuine customer experience. Participants will develop their skills by building rapport and tailoring services or experiences to meet and exceed customer expectations.

Service Recovery Techniques - We all make mistakes. Take this module to learn about communication etiquette and service recovery to bring the quality back to your customers experience

Dealing With Difficult Customers – Difficult customers are inevitable, so gain practical skills and confidence to turn a grumpy customer into a grateful customer.

It Takes a Team – Exceptional client experiences are rarely created by one individual. It takes a team of highly skilled and passionate people who foster a customer-centric culture. This module will help develop participants' enthusiasm, appreciation and respect for teamwork and how it is essential for excellent customer service.

ADVANCED CUSTOMER SERVICE

Overview

The overview will firmly set the “What’s in it for Me?” proposition for the participant for the advanced level training.

Customer Service Foundations III

The advanced level of customer service best practices focuses on polishing and enhancing the participants’ skills, enabling them to offer the best customer experience and generate return business.

Generating Return Business - The best testament of a visit is someone who wants to return! This will be the tips and techniques to enhance someone's visit to that level.

The WOW Factor – We’ll hear from local experts on top tips to help participants exceed customer expectations every time and ensure that all customers discover that SLO CAL is just their speed.

Supporting Customers During Crisis Situations –When a crisis happens, customers need fast, factual and fluid customer service more than ever. Be ready when unforeseen circumstances arrive and learn how to remain calm and collected and prioritize your customer relationships during difficult times.

Get Resourceful! – Resourcefulness is a secret weapon that will elevate your customer service. Last minute changes, unusual requests, or emergencies demand quick thinking. This module will help participants identify what resources they have at their disposal and how to tap into them when they need it.

ADDITIONAL MODULES

Destination Ambassador/Local Expert - Even if a team knows the right things to say, they need to know what to say it *about*. Built in conjunction with the Visit SLO CAL team, this program is designed to develop our people into experts on the region and as a resource tool to revisit in the future should the reference be needed. It will include:

- Overview of the area/geography of Visit SLO CAL (a map of some kind)
- An open menu to look at each respective region. Each region’s content will be influenced by those who work in it and own it. Below is a general outline, but the concept is to make it feel as though these sections are written by those who know them best. Each selectable region will feature maps, locations, and links to go along with the locations talked about in each section.

- Neighborhoods - *Unique, notable areas of the town/region that are frequent interests for guests/tourists*
- Attractions and Experiences - *Places of high interest/cultural importance that draw in guest interest*
- Restaurants - *Wide range of notable places to eat; showcase exceptional local or signature cultural food*
- Shopping - *Mix of local businesses, handmade goods, and larger destination shopping*
- Nightlife - *Bars, music venues, stadiums, or any other forms of evening entertainment the region is known for*
- Annual Events and Festivals - *Specific to the city*

Service For All - Whether locals or visitors, your customers are a mosaic of different backgrounds and identities, a “one-size-fits-all” service approach simply doesn’t cut it. Our world and needs are changing and so too, should our service delivery. A personalized approach that is focused on meeting the unique needs of each customer is the marker of successful and inclusive customer service. We will build out our program for just that.

- The origin of stereotypes and how to avoid them through empathy and sensitivity
- How to use professionally appropriate language when delivering diverse service
- Practical tips and information to help you adjust your customer service delivery to meet diverse customer needs including different generations, persons with disabilities, individuals within the LGBTQ/2S community, Indigenous peoples, immigrants, and more

Importance of Lodging and Restaurants to SLO CAL Tourism - The backbone of the hospitality experience for a customer is often their accommodation and where and what they eat. This module will ensure participants put critical thought into where customers will stay and dine to enhance the customer experience.

Frontline Workers: Creating Value for Our Guests – Hospitality frontline workers play a key role in a customer’s experience while visiting the SLO CAL region. This module focuses on creating awareness of their role as SLO CAL ambassadors and how happy customers often mean return customers.

Lodging Frontline: Best Practices for Guest Arrival and Departure – Are your frontline staff prepared to make a guest’s arrival and departure the best possible experience? This module will help ensure frontline staff know what it takes to even make a guest’s departure a positive experience to remember.

Elevating Hotel Dining – Hotels are often married to a restaurant and as customers yearn for a unique experience, hotels are now looking at creating dining concepts that will attract both visitors and locals. This module allows participants to learn about elevated hotel dining experiences that offer customers something different from carbon-

copy restaurants, while also offering ideas and inspiration for hotels and lodging businesses who are looking to rethink their dining and drinking spaces.

Sips & Suds! – Distilleries, wineries and breweries are popular experience destinations. This module will have a customer service component and elevate participants' knowledge about SLO CAL distilleries, wineries and breweries and how to promote them effectively.

The Restaurant and Lodging Experience: Measuring Customer Satisfaction - This module introduces participants on how to use metrics to assess customer experience and service quality. Data is a powerful tool in marketing and this introduction will help SLO CAL businesses get a start in capturing important customer data.

Resources

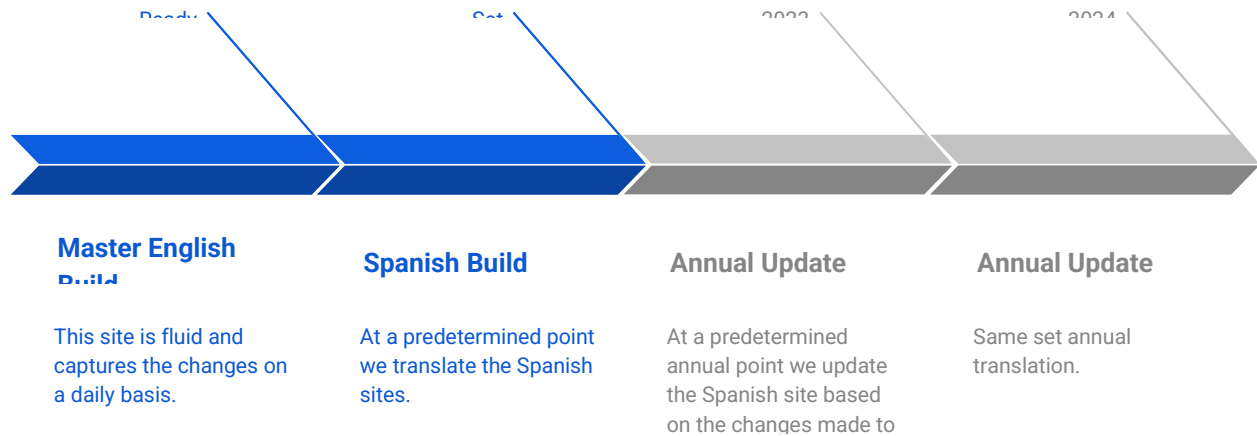
Finally, we will include a landing page for learners to revisit for quick reference and helpful tips. This is a one-stop resource for anyone lucky enough to go through this program for all things SLO CAL. It will include:

- Post-learning resources
- Up-to-Date research, as maintained by the Visit SLO CAL team
- Immediate desk-resources and helpful tools for everyday problems

Spanish Conversion

For the Spanish version, we propose the following methodology:

1. We maintain the English in a real-time fluid manner.
2. The English version becomes the master copy for the Spanish version.
3. We will set up an alternate cloned version of the English program for the Spanish version.
4. At registration, the candidates can select which language they would like to use.
5. We anticipate the English and Spanish versions will be ready for the first quarter of 2022.
6. At a predetermined time (perhaps annually), we will copy the English version, translate it, and repopulate the Spanish site.
7. Since both the English and Spanish versions are hosted in Breaze, Visit SLO CAL's administration team can make revisions to either site at any time for urgent changes.
8. For future Spanish updates, we would propose budgeting \$8,000 annually to update the Spanish content, which sits distinct from the English version. This update would include re-cloning the English version and translating any additions, deletions and changes.



Marketing Support

We propose to develop a 1-minute trailer to promote the Customer Service Training solution. This will be developed as a Youtube feature that can be emailed or hosted on social media sites and even added to the Visit SLO CAL industry support areas. We have ideas and suggestions about how to integrate this program into the onboarding programs of our client businesses.

Employee Recognition

This is an awesome idea that we would propose hosting within the site. Because the site is easily modified in real-time, this could be updated on a monthly or quarterly basis. It could contain a picture, video clip, and short profile on notable Customer Service champions. The Employee Recognition "Shout Out" could be a feature resident on the opening access page.

Project Milestones

The following is a representation of our process with typical durations of tasks. A more detailed project plan will be crafted upon project start date and will be best aligned to Visit SLO CAL's needs. Our Breaze projects tend to last from 6-8 months on average, shorter timelines are possible.

[Here](#) we have provided a templated link to a project plan for this type of project. Note that duration of tasks will be updated at project start and throughout. As this will be our first project with Visit SLO CAL we will use it as an opportunity to learn the typical duration of tasks for our partnerships.

Phase 1 - Initiation Milestones

Milestone	Duration
1. SOW/Contract Signing	N/A

Phase 2 - Planning Milestones

Milestone	Duration
2a. Learning Outcomes Session <ul style="list-style-type: none">Meeting to discuss Visit SLO CALs learning and design needs for the content creation of Local Expert and content customization of Customer Service	2 half day sessions, with more if required
2b. Joint Application Development Meeting <ul style="list-style-type: none">Meeting to discuss technical requirements for Visit SLO CALs Breaze instance e.g. single sign on/login requirements, registration details	30-60 Minutes

Phase 3 - Design Milestones

Milestone	Duration
3a. Breaze Setup <ul style="list-style-type: none">Visual mock ups of Breaze instance based on Visit SLO CAL branding. Includes review cycles	10 days
3b. Local Expert Script <ul style="list-style-type: none">Drafting of Local Expert Learning Outcomes and full script to prepare for course development. Will include review cycles and initial content from Visit SLO CAL. SLO CAL working	20 days

group and SMEs will be heavily involved here.	
3c. Customer Service Script <ul style="list-style-type: none"> Customization of ICOM Customer Service script. Working with Visit SLO CAL to edit our CS course to align closer to their requirements. SLO CAL working group and SMEs will be heavily involved here. 	10 days

Phase 4 - Development Milestones

Milestone	Duration
4a. Local Expert Development (30 Minutes) <ul style="list-style-type: none"> Taking the script from milestone 3b we build out the course within the Breaze instance. Any Visit SLO CAL imagery can be used to further "brand" the course. As well as ICOM creation of custom and stock assets. Includes review cycles with Visit SLO CAL 	12 days for initial build. Review cycles dependent on feedback
4b. Customer Service Development (60 Minutes) <ul style="list-style-type: none"> Taking the script from milestone 3c we build out the course within the Breaze instance. Any Visit SLO CAL imagery can be used to further "brand" the course. As well as ICOM creation of custom and stock assets. Includes review cycles with Visit SLO CAL 	24 days for initial build. Review cycles dependent on feedback

Phase 5 - Deployment Milestones

Milestone	Duration
5. Launch of Visit SLO CAL Breaze platform	1 day
6. Spanish Translation (90 Minutes) <ul style="list-style-type: none"> With the English live we can move to the Spanish content. This step can happen prior to Milestone 5 if launch should include Spanish. This is both courses included 	20 days for initial build. Review cycles dependent on feedback

Phase 6 - Close Milestones

Milestone	Duration
7. After a warranty period, project contact moves from Project Team to ICOM Client Support	10 days

Costing

Content Development

The table below outlines the costs associated for the instructional design and content creation for the English modules that will be deployed into the Breaze system.

Project Item	Hours	Totals
Project Management	50	\$7,000
Instructional Design	80	\$11,200
Creating and Editing Content	360	\$50,400
Interactive Programming	140	\$19,600
Quality Assurance	24	\$3,360
Estimated Effort	654	\$91,560

Spanish Build

This table reflects the costs associated with the development and maintenance of a second language.

Project Item	Hours	Totals
Project Management	20	\$2,800
Translation		\$3,500
Editing Content	120	\$16,800
Hosting (integrated into main hosting)		
Quality Assurance	16	\$2,240
Estimated Effort	156	\$25,340

Breaze

As we have the framework of an existing Breaze platform, ICOM's costs focus on initialization of the Visit SLO CAL Breaze portal, which are reflected in the table below. In addition, the table outlines the annual fees associated with the Breaze license and hosting on our secured servers. The annual fee for these costs for both the English and Spanish sites is \$20,000 per year with an incentive reduction on the first year.

Project Item	Hours	Totals
Project Management	16	\$2,240
Analysis of User Management and Data Architecture	8	\$1,120
Breaze Initialization	80	\$11,200
Testing and Quality Assurance	16	\$2,240
Annual Breaze licensing, user data storage, and system hosting fee	\$20,000 per year after first year	\$10,000 for the first year
Estimated Effort	120	\$26,800

Summary

Total Investment		Totals
Content Development		\$91,560
Spanish Build		\$25,340
Breaze Initialization, Hosting and Licensing		\$26,800
		\$143,700

Billing Considerations

Please Note:

- Federal, state or provincial taxes are not included in the estimate. [ICOM is now aware of Visit SLO CAL's 501c\(6\) status](#)
- All costs are in USD
- 25% of total costing for the Breaze setup and Content Development is due upon start. A payment schedule associated with those deliverables will be defined by the Project Manager. Billing for the Spanish Build will begin upon completion of English.
- Visit SLO CAL operates on a fiscal year calendar (July 1-June 30), and applies an accrual basis accounting system. Invoices for the past month must be delivered on, or prior to, the 3rd of the month. If this timeline is impossible based on billing cycles, a clear

timeline must be noted and estimates for accruals must be provided by the 3rd of the month.

- Visit SLO CAL will be responsible for the fees associated with copyrighted music or graphics. If Visit SLO CAL requests particular music or graphics that are not in the public domain, ICOM will identify this prior to development of the product
- Travel expenses for the optional video hook portion, outlined below, will be invoiced in addition to this statement of work and will conform to Visit SLO CAL's travel and expense policy

Technical Dependencies and Project Assumptions

- ICOM will have access to all systems as needed/requested for deployment needs
- ICOM will provide Visit SLO CAL's technical support team with sufficient technical information and lead time to complete the tasks
- Visit SLO CAL will be responsible for the implementation of the training to their employee base
- Visit SLO CAL will manage "user" support for the training
- Additional services may be requested at any point throughout the project and will be handled as a Change Request
- Visit SLO CAL will provide subject matter experts as needed to inform and verify content
- Visit SLO CAL to provide business owners for video hook portion

Signature of Agreement

The client named below verifies the terms of this Statement of Work are acceptable. The parties hereto are each acting with proper authority by their respective companies.

Visit SLO CAL

ICOM Productions

Company Name

Company Name

Full Name

Full Name

Title

Title

Signature

Signature

Date

Date

Appendix 1 - May 24th Clarification Questions

Thank you for the opportunity to clarify some sections of our proposal, we have chosen to address the questions in a 2 step approach. First we will present a general discussion where we hopefully address the core question. Then we will refer to the actual sections within the proposal that will reflect any changes that are needed.

1. Under “Development Phases for the Breaze Solution” -> #1 – We will be pulling together an CST working group to help drive content with their industry knowledge. Is it possible to include the working group as part of this step?

Our client's expert input is key to the success of this portal. The CST Working Group discussion will be integrated into the **Learning Outcome Session** element of our process. It may be conducted over a series of Zoom style meetings and one-on-one interviews. We look closely for input on structure, learning objectives, assessments, specific content, graphical assets, and approach. This allows us to build a comprehensive outline and begin to understand the personality of Visit SLO CAL. Thanks to your question we have increased the time spent in the Learning Outcome Session.

See “**Learning Outcome Session**” (*highlighted in blue*) on pages 12, 13, 19

2. Under “Proposed Outline” -> We would like to see a bigger build out. The EDI component alone should be about 15-20 minutes. We do want to keep the overall training to a reasonable amount of time but also want the crucial modules to be comprehensive and have the time that's needed for review and understanding.

Understood, Equity Diversity and Inclusion is a key topic. In fact, we had some disagreement on our team that this topic should be in the Basic section. We have developed this content for other clients and may have some useful tips. Our team looks forward to building the content outline **with you** and know emphasis will shift as we better understand the Visit SLO CAL approach. We look at the time more as a bank of 90 minutes that we can spread around and balance the content and learning experiences.

See “**Proposed Outline**” (*highlighted in blue*) on page 15

3. Under Marketing Support, can you clarify if we would need to build or create content for the 1 minute trailer?

We anticipate utilizing existing content from Customer Service Training overlaid with some additional graphical techniques from ICOM. ICOM will provide the creative expertise and content while working closely with Visit SLO CAL for additional inspirational direction.

4. Under Timeline -> Spanish Course, can you clarify further on the voice artist? You have it assigned to "client" but what does that look like? We would have to find a Spanish speaker for translation?

ICOM will manage the translation process and have professional Spanish artists on our team. Sometimes clients prefer their own artist which is why Client shows up in that line item. As that is a joint role, we have adjusted the Timeline Chart

We work to ensure that the site is as fully Spanish as possible. Sometimes video and other assets require post production editing to be acceptable for the Spanish version. Using Google Translate in Youtube is usually adequate but we may overdub a number of audio tracks if needed. **We anticipate this will be minimal and there will be no additional costs for this service.**

See "**Timeline**" (*highlighted in blue*) on page 20

5. Under Billing Considerations, would we be applicable to provincial taxes as a 501(c)(6)? *this is only if you know. We can determine internally as well*

The 501(c) business code is your Tax exemption status which we are happy to accommodate. ICOM will honour any applicable tax exemptions for Visit SLO CAL.

See "**Billing Considerations**" (*highlighted in blue*) on page 24

6. What is the range or budget for OOP travel costs?

We are confident that the solution as presented can be successfully achieved by operating remotely with no additional out-of-pocket costs. We leave an option open for a Video Hook (defined below) to bring a more customized feel for local businesses. We need to ensure we comply with the latest Covid protocols for travel etc. In normal circumstances a Video Hook budget is from \$5,000 to \$8,000 inclusive of travel expenses.

See “**Billing Considerations**” (*highlighted in blue*) on page 24

7. Can you clarify what you’re referring to by “video hook”? Is that the aforementioned one minute marketing trailer?

ICOM defines a “Video Hook” as a custom video that generates emotional empathy to achieve a learning objective and compel the learner to stay on task. For SLO CAL we really aligned with the concept that a visit to the region is an opportunity to slow down and feel like part of the community. This generated the concept of having local business owners casually discuss what it is like to be part of the Visit SLO CAL community. By executing this as a video we really target the emotional part of a learner’s brain and that feeling embeds itself, becoming part of everything they do as Customer Service agents.

An example of Video Hook can be seen [here](#).