



Minutes

Visit San Luis Obispo County Board of Directors

Visit San Luis Obispo County Board of Directors Meeting Minutes

Wednesday, August 19, 2015

8:45am

Morro Bay Golf Course

201 State Park Rd, Morro Bay, CA 93442

1. **CALL TO ORDER:** Kevin Phipps

PRESENT: Kathleen Bonelli, James Davison, Mark Eads, Lois Fox, Jim Hamilton, Jay Jamison, Sam Miller, JP Patel, Clint Pearce, Kevin Phipps, Val Seymour

STAFF PRESENT: Chuck Davison, Brendan Pringle, Kylee Jepsen

Call to Order at 8:49am.

2. **PUBLIC COMMENT (On Non-Agenda Items)**

None.

ANNOUNCEMENTS

3. **Introduction of New Board Members**

Davison introduced the newest members of the Visit San Luis Obispo County Board of Directors, appointed by the County of San Luis Obispo: James Davison of Pacifica Hotels; and Jim Hamilton, Assistant County Auditor-Controller at the County of San Luis Obispo. The Pismo Beach seat remains open. Board Discussion – None.

Public Comment – None.

CONSENT AGENDA

4. **Approval of July 15, 2015 Board Meeting Minutes**
5. **Approval of June Year-End Visit SLO County Financials**
6. **Approval of July 2015 Financials**

Davison asked the Board to approve the Consent Agenda. Board Discussion – None.

Public Comment – None.

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

Motion carried: 11:0

BUSINESS ITEMS

7. New Board Members – Term Length

Davison asked the new board members to draw for term lengths.

James Davison – 1 year; Jim Hamilton – 2 years. A 3-year term remains for the open seat. Board Discussion – None.

Public Comment – None.

8. Fast Forward/VSLOC Contract

Davison explained that the goal of the Fast Forward agreement for SAVOR the Central Coast was a four-year partnership, where Fast Forward would assume 100% ownership of SAVOR in year four (2018), and Visit San Luis Obispo County would subsequently license the SAVOR name and assets for a 10% profit share each year beginning in 2018. The contract execution has been delayed by legal review for the last 4-5 months. Legal counsel had requested a move from a \$1 million/\$2 million Liability Policy to a \$2 million/\$5 million Liability Policy. However, this would eliminate event growth by placing these same limits on all participating vendors and require VSLOC to raise match limits. It was recommended instead that SAVOR be removed from VSLOC's Annual Liability Policy (currently \$7100 of a \$9500 policy), and establish a \$5 million Four-Day Event Policy covering both VSLOC and Fast Forward Events as insured and paid for by SAVOR.

Board Discussion. Eads inquired on the cost of the policy. Davison noted that the cost is expected to be less than half, since the policy would cover the four days of SAVOR, and that the policies would overlap for the first two days of SAVOR.

Public Comment – None.

ACTION: Moved by Eads/Seymour to approve the noted insurance change to VSLOC and the VSLOC/FFV SAVOR agreement and allow the President & CEO to finalize the contract with FFV.

Motion carried: 11:0

9. Approval of Updated Bylaws

Prior to the establishment of the Tourism Marketing District, a "member" was anyone who paid into Visit San Luis Obispo County. Under the new bylaws, "members" are non-lodging partners only, as lodging partners who pay the assessment are now considered "owners." As such, the Bylaws have been updated for clarity. The term "members" has been removed from the Bylaws. Board Discussion – None.

Public Comment – None.

ACTION: Moved by Jamison/Fox to approve the updated bylaws as written.

Motion carried: 11:0

10. County Contract Update

The County Contract for TMD management was completed and signed by Chuck Davison and Kevin Phipps, and returned August 18, 2015. This contract required some insurance adjustments specifically around subcontractors and reporting, as well as the establishment of a second bank account for non-TMD monies. Financial reports will be sent on a monthly basis. TMD assessment collection has already started, and they will remit payment within 30 days of collection. Board Discussion.

Public Comment – None.

11. 403b Update

Davison provided an update on Visit San Luis Obispo County's retirement program. Previously, it was a profit sharing plan, with no one participating due to turnover. Hilde Minkel & Associates administered the plan, and withdrew an annual \$1200 administrative fee over four years, taking the account from \$4,000+ to \$153 remaining in the account. VSLOC is looking to term the plan, and negotiate a 403b plan with an established financial institution that includes a 4% VSLOC match for each employee as approved in this year's budget.

Board Discussion. Davison noted that the 4% adds up to around \$16,000 annually if everyone contributed at 4% once the office was fully staffed. Staff participation is voluntary, and the cap is \$18,000 per, except for staff members over the age of 51. The administrative fee would be between \$500 and \$1,000, depending on which plan VSLOC chooses to execute. Principal is the group that facilitates the plan, and it offers a financial advisor to the staff. Fox asked if the plan's performance could be reviewed by the Board on an annual basis, and Davison responded that this was VSLOC's intention.

Public Comment – None.

ACTION: Moved by Pearce/Eads to approve the President & CEO to term the current plan and establish a 403b plan, with an established financial institution, that includes a 4% VSLOC match.

Motion carried: 11:0

12. Coast National Bank New Account/Signature Card Update

The TMD contract with the County requires the establishment of a second bank account for non-TMD monies. Board Discussion – None.

Public Comment – None.

ACTION: Moved by Fox/Jamison to approve the opening of a second checking account at Coast National Bank for non-TMD monies, and approve Chuck Davison and the current VSLOC Executive Committee as authorized signers for both Coast National Bank accounts. Executive Committee members include Kevin Phipps, Chair; Jay Jamison, Vice Chair; Clint Pearce, Treasurer; JP Patel, Secretary; Noreen Martin, Past President.

Motion carried: 11:0

13. FY2014-2015 Annual Report

In addition to the common business practice of producing an annual report, this report is required by the County as part of Visit San Luis Obispo County's previous funding arrangement, and is due September 1, 2015. Davison noted that there are a few minor updates from the digital copy that was posted online.

Board Discussion.

Public Comment – None.

ACTION: Moved by Pearce/Jamison to approve the FY2014-2015 Annual Report as presented.

Motion carried: 11:0

14. SAVOR the Central Coast Update

Davison prefaced the presentation by stating that Fast Forward Events has acted in good faith by working prior to having a signed contract, and noted that they have only had five and a half months to facilitate SAVOR, whereas in the past, planning has started in November.

Metter announced the SAVOR Media Preview, which is happening August 20, 2015, from 11am-1pm. She also provided an update on web and social media traffic and out of market digital engagement, out of market attendees year-over-year, and a financial report on SAVOR. Metter noted that the reporting style for SAVOR is changing this year in order to establish a proper benchmark for future years. In this reporting style, each individual attendee is only counted one time, since the goal is not the number of tickets sold, but rather the number of attendees.

Fast Forward is looking ahead to plan SAVOR 12-18 months in advance. Opening Night might be eliminated or reverted to the Year One concept (when it was hosted at Farmer's Market), starting in 2016. Also, the number of Adventure Tours may be reduced.

Board Discussion. Phipps commented that the Board should keep in mind that this is a long-term relationship. Patel asked what Fast Forward is doing to cut the cycle of losses with SAVOR. Metter responded that Fast Forward has no intention to keep running the event as it has been in the past, noting that they have cut expenses drastically by changing the economies of scale, and by renegotiating agreements with past vendors. Bonelli asked if Fast Forward could produce a survey of occupancy during SAVOR, and suggested working with lodging partners to use their databases. Metter was receptive to the idea. Fox asked if the event was ever seen as an opportunity to become profitable. Davison responded that profitability was always the goal, which is why VSLOC entered into the joint venture with Fast Forward. Significant changes have been made to cut costs, and changes will continue to be made in the coming years to attain profitability.

Public Comment – None.

15. CEO Report

Davison presented a brief synopsis of his first 110 days as President & CEO:

VSLOC hosted the Tourism Vision Workshop and National Travel & Tourism Week Reception on May 8, 2015.

The AMGEN Tour of California happened May 13, 2015. VSLOC is in discussions with AMGEN and the County of San Luis Obispo about the 2016 race, and is working on a multi-year contract to keep it going through SLO County.

VSLOC established two new positions, the Director of Travel Trade and Marketing Director on May 20, 2015. To date, Davison has conducted 20+ interviews for these positions. The Director of Travel Trade has two finalists.

Davison attended the Visit California Board of Directors meeting from May 21-22, 2015, and asked how SLO County could be featured in future promotions. This turned into an opportunity to be part of a new Dream Big commercial, filmed on July 30, 2015, which will offer national and international exposure. The commercial features a "bubblesmith" with Morro Rock in the background.

Davison led a delegation of SLO County Partners at IPW 2015 from May 30-June 3, 2015. VSLOC was invited by Visit California to provide SLO County sparkling wine for the US Travel Chairman's Circle Dinner.

The Tourism Marketing District was approved June 10, 2015, and the following day, June 11, 2015, VSLOC's Marketing Committee was established. TMD Collection began July 1, 2015.

Davison attended the Cal Travel Summit in June 17-19, 2015.

The Marketing Committee heard Marketing Agency RFP presentations on June 25, 2015. The VSLOC Board of Directors established Catalyst Marketing as the agency of record on July 15, 2015. VSLOC hosted a kick-off meeting with Catalyst on July 21, 2015. VSLOC hosted its first Marketing Committee meeting on August 11, 2015, which featured a presentation by Catalyst. The Marketing Committee agreed to the concept of a Digital Asset Management (DAM) system for VSLOC's digital assets. This will be a great resource for media.

On June 29, 2015, VSLOC established a \$1M line-of-credit with Coast National Bank.

VSLOC hosted Brown Act Training for the incoming VSLOC Board on July 7, 2015, which was established on July 15, 2015.

Davison attended Visit California's Research Committee Meeting on July 13, 2015.

Davison secured the contract for our new office space on July 17, 2015. The office moved to 1334 Marsh Street on August 12, 2015.

Davison also completed a Business Insurance and HR Review. VSLOC's Employee Application is now in place, the New Employee Handbook is in its final draft, and the first Travel & Expense Policy is in draft.

Davison worked with CIVITAS to complete a re-write of VSLOC's bylaws (approved at this meeting).

On the horizon, VSLOC is working on a re-forecasted budget for BOD approval at the next meeting on September 16, 2015. Please note that the October 21, 2015 BOD meeting is occurring at the same time as Visit California's BOD meeting. New proposed date is Tuesday, October 20. An email about this is forthcoming.

SAVOR the Central Coast is happening September 24-27, 2015. Invitations for Board members are forthcoming.

Board Discussion. Patel commented on the Simpleview report in the Agenda packet. Davison noted that our traffic/visits are up triple digits over last year as a direct result of Simpleview's SEO efforts and VSLOC's expanded social media presence. Patel requested statistical information on how the county compares to other counties and asked that Davison educate the VSLOC Board on how to read and analyze the Simpleview reports, which Davison agreed to do at the following Board meeting.

Public Comment – None.

ADJOURNMENT

Meeting adjourned at 10:28am.