



MINUTES

Visit SLO CAL Board of Directors Meeting

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, September 29, 2021
8:30am

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

1. CALL TO ORDER: Hemant Patel

PRESENT: Kathy Bonelli, Aaron Graves, Jim Hamilton, Jay Jamison, Toni LeGras, Amit Patel, Hemant Patel, Nipool Patel, Clint Pearce, Victor Popp

ABSENT: Alma Ayon, Jed Bickel, John Conner, Mark Eads, Sam Miller, Amar Sohi

STAFF PRESENT: Chuck Davison, Cathy Cartier, Brendan Pringle

Call to Order at 8:36am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

3. Presentation of Honorary Award to Kathy Bonelli

Davison recognized Kathy Bonelli for her six years of service to the Visit SLO CAL Board of Directors.

Davison also requested feedback from the Board on whether a Zoom (hybrid) option should be offered at future Visit SLO CAL Board meetings. The Board noted that the option would be desirable for those who can't attend in person, but that it can be difficult to hear meetings via Zoom. Davison responded that Visit SLO CAL can go back to adding a Zoom link, and will look at AV costs to add additional microphones.

CONSENT AGENDA

- 4. Approval of June 16, 2021 Board of Directors Meeting Minutes**
- 5. Approval of June 2021/Year-End Visit SLO CAL Financials (Audited)**
- 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**

On the June/Year-End Financials, Davison pointed out that the auditor has recommended that Visit SLO CAL hold the books open to record all revenue in the actual year it occurred, which means that the "Collected from Prior Year Assessments" line item has been removed from the June/Year-End Financials, and additional funds have been recorded in June to reflect actual receipts for FY 2021. The balance sheet was also adjusted to reflect the addition of vacation accruals due to employees as of June 30, 2021, as recommended by the auditor. On the FY 2021 Annual Report, Davison noted that the

final version will be sent to the County and printed copies would be mailed to the Visit SLO CAL Board and Marketing Committee, as well as the city managers, CAO and elected officials. Davison noted that staff is recommending no changes to the Public Policy Platform. He also noted that staff is recommending amending Visit SLO CAL's 401k Plan, adjusting the enrollment period from the current twelve (12) months to a revised three months, beginning January 1, 2022, to allow employees to start contributing sooner. He noted the administrative cost, and that match increases will be trued up in the January budget re-forecast.

Public Comment – None.

Board Discussion.

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

Motion carried: 10:0

CEO REPORT

11. CEO Report

Visit SLO CAL launched its FY 2021 Satisfaction Survey on September 17, 2021, with a deadline of Thursday, October 14, 2021. He asked the Board to complete the survey if they have not already, and to share the survey with their lists of investors and partners using the special link and message that was provided. Staff will resend the information this morning. The EDA accepted Experience SLO CAL 2050 as a temporary equivalent or alternative Comprehensive Economic Development Strategy (CEDS) for the SLO CAL tourism industry and its participating jurisdictions through September 24, 2022, after determining that the strategy met their guidelines as an "equivalent/alternative plan." This approval will allow Visit SLO CAL and local governments to apply for EDA grants, which require a CEDS as part of the application process, as REACH works to develop a regional CEDS in the next year. Davison recognized the Board's foresight in approving the development of this strategy, which made this possible. Davison reviewed TOT data for July 2021 as it compares to 2019, noting the numbers were the highest on record, and August is expected to be high as well. He provided a staffing update, noting that Catherine Cropp started on August 23, 2021 as Brand Marketing Coordinator; Riley Grim started on September 7, 2021 as Brand Marketing Manager; Camille Silvera started on September 7, 2021 as Content Marketing Specialist; and Emily Rudge will begin on October 11, 2021 as Executive Assistant to the President & CEO. The Marketing Coordinator position remains open. Davison noted that after consulting with Visit SLO CAL's contract controller, the organization recommended the shift to a more senior finance role than the previously-approved Finance & HR Manager role, based on the organization's increased budget and some efficiency gaps in VSC's current financial process. At their September 9, 2021 meeting, the Executive Committee approved elevating the approved, but yet to be hired, Finance & HR Manager role to a Vice President of Finance role, and the position has been posted. At the June Board meeting, board members shared frustration regarding gaps in Community Engagement & Advocacy initiatives budgeted, but not completed in FY 2021. This delay has been compounded by a six-month reduction in staffing due to the director's medical leave-of-absence, whose return to work is scheduled for November 9, 2021. At the request of the Board, Davison outlined a staffing plan to the Executive Committee to achieve the FY 2022 Business & Marketing Plan initiatives approved at the June meeting. At their August 19, 2021 meeting, the Executive Committee approved the FY 2022 addition of the Vice President of Community Engagement & Advocacy role to support the advancement of ESC 2050 and advocacy initiatives. He noted that the role will be a more senior role that will assist in advancing the plan at a faster pace, inline with Board-approved OKRs. He added that the estimated annual salary for the role would need to be trued up in the January budget re-forecast, and that the role is currently in recruitment. Davison reported out on Visit SLO CAL's two-day Culture Retreat with FiredUp! Culture, and noted this is an ongoing initiative with a number of follow-up action items. He also reported out on key takeaways from the CalTravel Summit (September 12-14, 2021), and noted that he attended IPW with Kyla Boast (Associate Director of Sales) and Cathy Cartier (CMO) in Las Vegas (September 18-22, 2021). Boast held 33 appointments with domestic and international tour operators and Cartier held 16 domestic and international press meetings at their Media Marketplace. Visit California announced that SLO CAL won the bid to host their 2022 Fall Luxury Forum, beating out Monterey, Napa and other destinations. As a result, 25 luxury travel buyers will be exposed to SLO CAL. Originally the bid was for 2021, but the event was postponed to October 2022 due to COVID-19. As approved by the Executive Committee, Visit SLO CAL has been working with the San Luis Obispo County Regional Airport on an agreement to centralize marketing

efforts and messaging for both outbound and inbound flight marketing, to avoid consumer confusion. The Airport would use Mering (Visit SLO CAL's agency-of-record) to facilitate the work. The agreement was approved by the San Luis Obispo County Board of Supervisors on August 24, 2021, and is expected to be finalized in the coming days.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

12. FY 2021 Audit

Davison noted that the organization's new auditor, Glenn Burdette, was selected by the Board back in June after an RFP process. The RFP process was recommended by Visit SLO CAL Board Member and County Auditor Jim Hamilton, as an industry best practice, as Visit SLO CAL had contracted the same auditor for the previous five years (Burkart & Stevens). For the sixth year in a row, Visit SLO CAL received a clean audit with no material weaknesses. Davison introduced Erin Nagle, Audit Principal at Glenn Burdette, to present their audit report. Nagle reviewed the audit process, tests conducted during the audit, and the results of the audit, and noted that the financials were fairly stated in all material respects. She also reviewed the management recommendations. Davison thanked Nagle for presenting the audit in person, and noted that Visit SLO CAL is always looking to tighten up its controls, as part of its first Strategic Direction 2023 value of Stewardship.

Public Comment – None.

Board Discussion. Hamilton thanked Nagle for her presentation, and noted that he found nothing concerning in the audit findings. He said that the report shows that Visit SLO CAL is growing and maturing. Popp noted that he was impressed with the consistency of Visit SLO CAL's audit results despite so much change over the last few years.

ACTION: Moved by Hamilton/Jamison to approve the FY 2021 Audit as presented.

Motion carried: 10:0

13. Board Member Selection

Davison noted that Kathy Bonelli's resignation is effective at the end of the meeting. In anticipation of this, Visit SLO CAL opened the application process for the designated vacation rental seat on July 19, 2021, and closed it on August 12, 2021. Visit SLO CAL received three applicants, although one applicant does not contribute to the assessment and was deemed ineligible. Davison reviewed the applications from Bryan Bonelli of Paso Robles Vacation Rentals, and Karen Tallent of The Groves on 41, noting their involvement with Visit SLO CAL and the industry, and outlining the regions they would represent. He added that both are engaged partners. At their August 19, 2021 meeting, the Executive Committee recommended that the Board elect Bryan Bonelli to the designated vacation rental seat based on the number of vacations rentals represented across multiple communities.

Public Comment – None.

Board Discussion.

ACTION: Moved by A. Patel/Popp to elect Bryan Bonelli to the designated vacation rental seat on the Visit SLO CAL Board, as recommended by the Executive Committee.

Motion carried: 9:0:1
Bonelli abstained.

14. Events & Festivals Strategy Phase I Consultant Approval

After pushback from two communities on the MOU process, staff is recommending a pivot to a two-phased approach. In Phase I, a third-party facilitator will lead a working group with an end goal of universal understanding on the importance, need and desire for a countywide Events and Festivals Strategy (E&FS) and why it is critical to SLO CAL's success as a destination. Davison noted that initial buy-in and MOU sign off is a board directive; as such, Board members would also need to advocate in their communities to garner buy-in and support from all local DMOs and cities. In Phase II, the comprehensive countywide strategy will be created, informed and driven by the results of the Phase I facilitations with the E&FS working group. Upon completion of Phase II, the E&FS working group will become ambassadors and begin implementation and adherence to the completed Strategy and countywide event calendar. Davison outlined the process and clarified that the strategy would be focused on visitor serving events—not local community events—and how they can be planned during non-peak shoulder season periods to yield rate. He noted that Matthew Landkamer, formerly of Coraggio Group, now of Landkamer Consulting, was determined to be best suited to act as facilitator and help reach the scope of work objectives. Davison noted Landkamer's reputation and proven track record with destination partners throughout the county. He outlined the cost, which is part of the overall budgeted cost for the initiative that was approved by the Board in June. Davison noted that at their September 9, 2021 meeting, the Executive Committee recommended that the Board approve, in concept, the change in direction to a two-phased approach to the Events & Festivals Strategy, allowing the President & CEO to allocate up to \$20,000 for Phase I and to begin contract negotiations with a facilitator. Davison outlined next steps. He also warned that without each Board member's support, the initiative will fail, and asked that each of the Board members advocate in their own communities for this initiative.

Public Comment – None

Board Discussion. Popp noted that some of the resistance by the Travel Paso board to the initial direction of the Events & Festivals Strategy revolved around the signing of the MOU, but that the facilitation to develop a strategy was something they could get behind. Davison clarified that each of the DMOs have a seat at the table to develop the strategy. The required MOU assures Visit SLO CAL doesn't pay for an initiative that never gets implemented by local communities. Pearce and H. Patel encouraged the Board to lean in and advocate that their communities get behind this, as the Board agreed it was an important initiative when they approved it.

ACTION: Moved by Pearce/LeGras to recommend that the Board approve a change in direction to a two-phased approach to the Events & Festivals Strategy and that the Board allow the President & CEO to begin contract negotiations with Landkamer Consulting for Phase I Facilitation.

Motion carried: 10:0

15. Customer Service Training Initiative

Davison noted that staff received four proposals for the Customer Service Training initiative, and he outlined the scope of work for the initiative. The selected agency will develop a no-cost web and mobile-based, certified customer service program in both English and Spanish for SLO CAL's Travel & Tourism industry. The agency will work with Visit SLO CAL and the Customer Service Working Group, comprised of investors and partners, to determine customer service objectives of learning modules and drive the content development. He noted that Visit SLO CAL would lean on destination partners to inform the local expert content for the destination awareness component of the training program, which will include creative assets from throughout SLO CAL. Staff is recommending ICOM Productions (Calgary, Alberta, Canada), whose award-winning White Hat Academy provides free, customer- and destination-focused training for Calgary's 4,800 visitor-facing employees. Davison added that ICOM's proposal most closely aligned with the scope of work. He showed the Committee a brief demo of the White Hat Academy program. He outlined the timeline of the project, which, if approved, is expected to kick off October 2021 and is estimated to take seven months to complete. He noted that the English platform would be developed and launched first, and that the Spanish platform (which includes Spanish in the video components), would launch approximately one month after. He noted that Melissa Murray, Visit SLO CAL's Project Manager, Destination Management, will be the main point of contact for the duration of the project, with executive oversight from the President & CEO and the VP of Community Engagement & Advocacy, once that role is hired. He outlined the budget, and discussed next steps. At their September 9, 2021 meeting, the Executive Committee recommended that the Board allow the President & CEO to begin contract negotiations with ICOM Productions to develop a countywide Customer Service Training Initiative.

Public Comment – None

Board Discussion.

ACTION: Moved by N. Patel/Graves to allow the President & CEO to begin contract negotiations with ICOM Productions to develop a countywide Customer Service Training Initiative, as part of Experience SLO CAL 2050 and as recommended by the Executive Committee.

Motion carried: 10:0

16. Visitor Profile Study and EDI Audience & Asset Alignment Study Results Presentation

Davison introduced Stephanie Brown, Executive Vice President of SMARInsights, who presented an executive summary of the Visitor Profile Study and EDI Audience & Asset Alignment Study results. Cartier outlined next steps. Visit SLO CAL distributed condensed SLO CAL reports and individual co-op reports to destination partners. Staff will be diving deeper into these reports with its agencies at the mid-year All-Agency Planning Meeting in November to develop a directional strategy for earned, owned and paid media based on the results. Any necessary budget adjustments will be made during mid-year reforecast for board approval in January. Adjustments or additions to the campaign will be rolled out in the Spring.

Public Comment – None

Board Discussion.

17. “Land of” Campaign Update

Cartier provided an update on Visit SLO CAL’s House of Brands Strategy, noting that it will provide a clear connection between all of the individual destination brands and SLO CAL, and a clear relationship between the communities and SLO CAL. She outlined the components of Visit SLO CAL’s brand refresh, including Mering’s changes to the logo, the adoption of a color palette with earth tones, and the roll-out of partner logo lock-ups. She also described what destination partner logo lock-ups would look like along the adoption spectrum. She noted how the place, pace and people of SLO CAL tie into the SLO CAL brand strategy, and outlined the scope of the brand asset production. She provided an overview of the campaign, including messaging, 30- and 60- second spots and static ad graphics. She noted that the messaging will lean into the idea of living vividly, but the tag line of Life’s too Beautiful to Rush will not go away. She also noted that co-op assets are set to be delivered on September 30, 2021, and that Visit SLO CAL will be working with its agencies on the directional strategy for earned, owned and paid media, further taking into account Future Visitor Profile Study and EDI findings. Davison recognized Cartier and the marketing team for their work on these initiatives.

Public Comment – None

Board Discussion.

ANNOUNCEMENT OF CLOSED SESSION ITEM

18. Employee Dismissal

CLOSED SESSION REPORT

No action was taken by the Board during Closed Session.

Davison noted upcoming agenda items.

ADJOURNMENT

Adjourned at 11:15am.

DRAFT