



# AGENDA

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## Visit SLO CAL Executive Committee

### Visit SLO CAL Executive Committee Agenda

Wednesday, March 7, 2018

11:30am

Visit SLO CAL Conference Room

1334 Marsh Street, San Luis Obispo, CA 93401

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

<b>ANNOUNCEMENTS</b>	<b>C. Davison</b>
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<b>CONSENT AGENDA – <i>motion required</i></b>	<b>C. Davison</b>
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3. **Approval of February 7, 2018 Executive Committee Meeting Minutes** (*yellow*)
4. **Approval of January Financials** (*green*)  
*Staff will ask for Committee approval of the February 7, 2018 Executive Committee Meeting Minutes and January 2018 Financials.*

<b>CEO REPORT</b>	<b>C. Davison</b>
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5. **CEO Report** (*15 min*)  
*Staff will provide an update on current projects, reporting and areas of focus for the months ahead.*

<b>BUSINESS ITEMS</b>	<b>C. Davison</b>
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6. **Destination Development Strategy** (*25 min*)  
*Staff will provide an update on the next steps in Visit SLO CAL's initiative to develop a draft of a long-term Destination Development/Tourism Infrastructure Master Plan as outlined in Strategic Direction 2020.*
7. **Strategic Direction 2020 Operational Plan Update** (*20 min*)  
*Staff will provide an update on its Operational Plan quarterly check-in and overall progress on Strategic Direction 2020 imperatives.*
8. **Marketing Update** (*20 min*)  
*Staff will provide an update on key marketing initiatives.*

### ADJOURN.

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

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



# MINUTES

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## Visit SLO CAL Executive Committee

### Visit SLO CAL Executive Committee Meeting Minutes

Wednesday, February 7, 2017

11:30am

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

**1. CALL TO ORDER:** Clint Pearce

**PRESENT:** John Arnold, Aaron Graves, Jay Jamison, Lori Keller, Clint Pearce

**STAFF PRESENT:** Chuck Davison, Brendan Pringle

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**Call to Order at 11:32am.**

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

None.

**ANNOUNCEMENTS**

Brown Act Training is Wednesday, February 21, 2018 at 8:30am at the Embassy Suites. All Board and Committee members are required to attend if they have not already completed Brown Act Training.

VSC will presenting its Annual Report to the County Board of Supervisors on Tuesday, March 6, 2018 at the County Government Center. VSC will share the timing once the agenda is posted. Board members are encouraged to show their support for VSC initiatives. VSC will be sending out a save the date for the meeting.

**CONSENT AGENDA**

**3. Approval of November 9, 2017 Executive Committee Meeting Minutes**

Approval of January Financials (Item #4) was removed from the Consent Agenda.

Public Comment – None.

Committee Discussion.

**ACTION:** Moved by Jamison/Arnold to approve the Consent Agenda as amended.

**Motion carried: 4:0:1  
Keller abstained.**

**CEO REPORT**

**5. CEO Report**

VSC is transitioning to a American Express corporate card and transitioning out of using its Rabobank business card.

VSC is finalizing a contract with a new controller contractor, Annie Braunschweig, who will be on-boarding in the month of February and replace Connect Accounting. Connect will end its contract as of mid-March, once the February Financials are finalized.

With the on-boarding of two new positions in the coming months, VSC is quickly running out of office space. VSC has contacted its landlord about the lease for the back space, attached to our building, that is currently occupied, and is running a parallel track with FIT about adding two to three workstations to the current bull pen.

Davison reported out on local meetings with government officials, Board members and strategic partners.

VSC is up for the “Best Digital Campaign” award in the Visit California Poppy Awards on Thursday, February 15, 2018. Fellow nominees include Visit Anaheim (\$17M budget) and San Diego Tourism Authority (\$43M budget).

Davison outlined his travel schedule.

Public Comment – None.

Committee Discussion.

## **BUSINESS ITEMS**

### **6. TMD Renewal Process**

The Tourism Marketing District is up for renewal in June 2020. This process is expected to take 12 months. This includes the approval process for 7 municipalities (1-3 hearings each including initial TBID meetings) and 3 hearings at the Board of Supervisors. VSC is expecting to begin the petition process in November 2018 with targeted completion of December 2019, allowing for a 6 month wind down in the event that approval is not granted. In the renewal, VSC will be asking for a 10-year extension of the Tourism Marketing District, through June 2030. Davison noted some of the major initiatives that VSC will be advancing in the coming years, and that the budgets of its competitors are significantly higher. He also noted that once the district is renewed, VSC would not have the option to change the structure again until 2030. Davison requested feedback from the Committee on changes to the District.

Public Comment – None.

Committee Discussion.

### **7. Destination Development Strategy**

VSC is working through the contract details with Resonance for a projected start date of April 1. The contract is currently being reviewed by VSC’s attorney. VSC is also working through a communications announcement to occur in the coming weeks, which would likely attract an interview with key local media.

Davison discussed the proposed composition of the Destination Development Steering Committee, and noted that with the Board’s approval of the Destination Development Director position, VSC has opened the application process for the position, and has started reviewing applications and conducting interviews. Resonance has recommended hiring someone with a public policy and urban development background, and will be engaged in the interview process. Davison asked the Committee to consider increasing the base salary for the position in order to attract qualified talent in-market.

Public Comment – None.

Committee Discussion. The Committee agreed to increase the base salary for this position.

## **8. Regionalism Update**

Davison met with Michael Bradley to discuss a strategic partnership with the California Mid-State Fair, in which VSC would be able to provide SLO CAL information to out-of-market concert ticket purchasers. He has had ongoing meetings with Ermina Karim and Melissa James at the SLO Chamber about reducing duplication of efforts among organizations. He also met with President Armstrong to discuss opportunities for collaboration, including promoting major Cal Poly events like the April Rodeo, and providing communications and assets to target Cal Poly alum for visitation to SLO CAL.

Davison provided an update on Taste Washington planning efforts, noting that the activation would include a farmer's market style booth with three destination partners (Travel Paso, SLO TBID and Pismo Beach CVB) and several other partners. This event will be happening in Seattle on March 24-25, 2018.

Public Comment – None.

Committee Discussion.

## **9. Air Service Development**

As mentioned at the last Board Meeting, beginning April 9, United Airlines will add a second daily non-stop flight to Denver. They will also upgrade both planes to Denver, 3 planes to Los Angeles and 1 plane to San Francisco. This represents an addition of 175 daily seats. VSC, along with the Airport and the Airport's consultant, will be meeting with Alaska Airlines at their headquarters on March 23, 2018. VSC will be taking 12 Alaska Airlines route planners to VSC's SAVOR booth at Taste Washington that Saturday to sample the experiences VSC is creating in Seattle, and to see our marketing efforts in action. VSC is also working towards a headquarters meeting with American Airlines in Dallas, TX.

Public Comment – None.

Committee Discussion.

## **10. Marketing Update**

Davison provided an update on travel trade efforts and key marketing initiatives. He also reported out on owned and paid media metrics, including the launch of the \$1.2M Winter/Spring Campaign.

Public Comment – None.

Committee Discussion.

## **ADJOURNMENT**

Meeting adjourned at 1:19 p.m.

Visit SLO CAL

2017/2018 Financial Summary - January 2018

Income	This Month	Budgeted for Month	MTD Variance	MTD Actual v. MTD Budget %	MTD % of Total Income/Expenses	FISCAL YTD	YTD Budget	YTD Variance	YTD Actual v. YTD Budget %	YTD % of Total Income/Expenses
PY TMD Collected in CY	\$ -	\$ -	\$ -	#DIV/0!	0.00%	\$ 127,555	\$ 127,555	\$ -	100.00%	5.03%
Membership Dues	\$ 198	\$ -	\$ 198	#DIV/0!	0.10%	\$ 44,396	\$ 44,198	\$ 198	100.45%	1.75%
<b>TMD Income</b>										
SLO County Unincorporated	\$ 67,707	\$ 67,707	\$ -	100.00%	32.96%	\$ 586,166	\$ 586,166	\$ -	100.00%	23.13%
SLO City	\$ 45,618	\$ 45,618	\$ -	100.00%	22.20%	\$ 438,301	\$ 438,301	\$ -	100.00%	17.30%
Pismo Beach	\$ 49,849	\$ 49,849	\$ -	100.00%	24.26%	\$ 570,760	\$ 570,760	\$ -	100.00%	22.53%
Morro Bay	\$ 14,729	\$ 14,729	\$ -	100.00%	7.17%	\$ 193,186	\$ 193,186	\$ -	100.00%	7.62%
Paso Robles	\$ 26,167	\$ 26,167	\$ -	100.00%	12.74%	\$ 283,454	\$ 283,454	\$ -	100.00%	11.19%
Arroyo Grande	\$ 5,106	\$ 5,106	\$ -	100.00%	2.49%	\$ 54,664	\$ 54,664	\$ -	100.00%	2.16%
Atascadero *	\$ -	\$ -	\$ -	0.00%	0.00%	\$ 67,045	\$ 67,045	\$ -	100.00%	2.65%
Grover	\$ 3,233	\$ 3,233	\$ -	100.00%	1.57%	\$ 23,258	\$ 23,258	\$ -	100.00%	0.92%
Adjustment for Actual TMD Collected	\$ (7,160)	\$ -	\$ (7,160)		-3.49%	\$ 144,930	\$ 144,707	\$ 223		5.72%
<b>Total Income</b>	\$ 205,447	\$ 212,409	\$ (6,962)	96.72%	100.00%	\$ 2,533,714	\$ 2,533,293	\$ 421	100.02%	100.00%
* District pays quarterly										
<b>Expenses</b>										
Restricted Reserve	\$ 10,272	\$ 10,620	\$ (348)	96.72%	4.08%	\$ 126,686	\$ 126,665	\$ 21	100.02%	8.54%
G&A	\$ 16,225	\$ 21,709	\$ (5,484)	74.74%	6.45%	\$ 144,326	\$ 148,574	\$ (4,248)	97.14%	9.73%
Industry Research and Resources	\$ 21,696	\$ 20,660	\$ 1,035	105.01%	8.62%	\$ 102,150	\$ 100,851	\$ 1,299	101.29%	6.88%
Travel Trade	\$ 22,020	\$ 24,975	\$ (2,955)	88.17%	8.75%	\$ 167,068	\$ 167,234	\$ (166)	99.90%	11.26%
Communications	\$ 25,437	\$ 22,581	\$ 2,856	112.65%	10.11%	\$ 137,776	\$ 134,575	\$ 3,201	102.38%	9.28%
Advertising	\$ 116,712	\$ 132,771	\$ (16,060)	87.90%	46.37%	\$ 577,721	\$ 600,947	\$ (23,225)	96.14%	38.93%
Promotions	\$ 5,781	\$ 12,627	\$ (6,846)	45.78%	2.30%	\$ 26,122	\$ 32,626	\$ (6,504)	80.07%	1.76%
Events	\$ 7,648	\$ 9,744	\$ (2,097)	78.48%	3.04%	\$ 64,101	\$ 66,093	\$ (1,992)	96.99%	4.32%
Digital Marketing	\$ 20,685	\$ 35,554	\$ (14,869)	58.18%	8.22%	\$ 116,644	\$ 132,917	\$ (16,273)	87.76%	7.86%
Film Commission	\$ 5,200	\$ 6,250	\$ (1,050)	83.20%	2.07%	\$ 21,307	\$ 26,122	\$ (4,815)	81.57%	1.44%
<b>Total Expenses</b>	\$ 251,675	\$ 297,491	\$ (45,817)	84.60%	100.00%	\$ 1,483,901	\$ 1,536,604	\$ (52,703)	96.57%	100.00%
<b>Surplus(Deficit)</b>	\$ (46,228)	\$ (85,082)	\$ 38,854	54.33%		\$ 1,049,813	\$ 996,690	\$ 53,124	105.33%	
<b>Cash Flow</b>										
Surplus (Deficit)	\$ (46,228)					\$ 1,049,813				
Beginning Cash Balance	\$ 2,079,936					\$ 733,261				
Change in Accounts Receivable	\$ 5,937					\$ 217,712				
Change in Accrued Expenses	\$ (53,386)					\$ 63,725				
Change in Prepaid Expenses										
Change in Accounts Payable	\$ 119,380					\$ 41,127				
<b>Visit SLO CAL Cash Balances</b>	\$ 2,105,639					\$ 2,105,639				
Restricted Reserves - 5% of Cumulative Revenues	\$ (491,406)					\$ (491,384)				
Equity on Balance Sheet										
<b>Net Available Cash</b>	\$ 1,614,233					\$ 1,614,255				
<b>Comments to the Board:</b>										
<ul style="list-style-type: none"> <li>- The total expenses for January are understated by \$36,704 due to over accrued amounts in previous months which were adjusted for in January when actuals were verified</li> <li>- All TMD amounts accrued through October have been collected with the exception of \$4,662.01 from the City of Morro Bay</li> <li>- Restricted Reserves have been re-categorized as Equity from a Liability per the Auditor's recommendation</li> </ul>										

**Visit SLO CAL**  
**Balance Sheet Prev Year Comparison**  
**As of January 31, 2018**

	Jan 31, 18	Jan 31, 17	\$ Change	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
1010 - Bank of the Sierra - TMD	1,476,647.51	1,107,990.77	368,656.74	33.3%
1020 - Bank of the Sierra - Membership	128,991.48	85,790.76	43,200.72	50.4%
1030 - Morgan Stanley - TMD	400,000.00	0.00	400,000.00	100.0%
1040 - Morgan Stanley - Membership	100,000.00	0.00	100,000.00	100.0%
<b>Total Checking/Savings</b>	<b>2,105,638.99</b>	<b>1,193,781.53</b>	<b>911,857.46</b>	<b>76.4%</b>
<b>Accounts Receivable</b>				
1200 - Accounts Receivable	597,023.17	377,554.22	219,468.95	58.1%
<b>Total Accounts Receivable</b>	<b>597,023.17</b>	<b>377,554.22</b>	<b>219,468.95</b>	<b>58.1%</b>
<b>Other Current Assets</b>				
1320 - Prepaid Rent	3,326.70	3,326.70	0.00	0.0%
1340 - Workman's Comp Deposit	387.00	569.00	-182.00	-32.0%
1350 - Accrued Expenses	-43,732.71	624,905.70	-668,638.41	-107.0%
1360 - 401K Forfeiture Assets	0.00	608.89	-608.89	-100.0%
<b>Total Other Current Assets</b>	<b>-40,019.01</b>	<b>629,410.29</b>	<b>-669,429.30</b>	<b>-106.4%</b>
<b>Total Current Assets</b>	<b>2,662,643.15</b>	<b>2,200,746.04</b>	<b>461,897.11</b>	<b>21.0%</b>
<b>Fixed Assets</b>				
<b>1400 - Fixed Assets</b>				
1405 - Computer Hardware/Software	24,216.44	22,404.87	1,811.57	8.1%
1410 - Furniture & Fixtures	91,012.07	20,930.63	70,081.44	334.8%
1415 - Leasehold Improvements	37,301.15	32,651.59	4,649.56	14.2%
1425 - Office Equipment	14,560.10	14,560.10	0.00	0.0%
<b>Total 1400 - Fixed Assets</b>	<b>167,089.76</b>	<b>90,547.19</b>	<b>76,542.57</b>	<b>84.5%</b>
<b>1500 - Accumulated Depreciation</b>				
1505 - Comp. Hdwr/Sftwr. Acc. Depr.	-15,088.17	-12,451.17	-2,637.00	-21.2%
1510 - Furn. & Fixt. Accum. Depr.	-6,208.00	-2,465.00	-3,743.00	-151.9%
1515 - Leasehold Imp. Accum. Depr.	-1,630.00	-343.00	-1,287.00	-375.2%
1525 - Office Equip. Accum. Depr.	-4,915.00	-1,288.00	-3,627.00	-281.6%
<b>Total 1500 - Accumulated Depreciation</b>	<b>-27,841.17</b>	<b>-16,547.17</b>	<b>-11,294.00</b>	<b>-68.3%</b>
<b>Total Fixed Assets</b>	<b>139,248.59</b>	<b>74,000.02</b>	<b>65,248.57</b>	<b>88.2%</b>
<b>Other Assets</b>				
<b>1600 - Intangibles</b>				
1605 - Trademark - Slocal	15,750.00	0.00	15,750.00	100.0%
<b>Total 1600 - Intangibles</b>	<b>15,750.00</b>	<b>0.00</b>	<b>15,750.00</b>	<b>100.0%</b>
<b>Total Other Assets</b>	<b>15,750.00</b>	<b>0.00</b>	<b>15,750.00</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>	<b>2,817,641.74</b>	<b>2,274,746.06</b>	<b>542,895.68</b>	<b>23.9%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
2000 - Accounts Payable	138,704.45	77,182.03	61,522.42	79.7%
<b>Total Accounts Payable</b>	<b>138,704.45</b>	<b>77,182.03</b>	<b>61,522.42</b>	<b>79.7%</b>
<b>Credit Cards</b>				
2060 - American Express Credit Card	11,551.77	0.00	11,551.77	100.0%
2050 - Rabobank Credit Card	749.70	3,364.33	-2,614.63	-77.7%
<b>Total Credit Cards</b>	<b>12,301.47</b>	<b>3,364.33</b>	<b>8,937.14</b>	<b>265.6%</b>
<b>Total Current Liabilities</b>	<b>151,005.92</b>	<b>80,546.36</b>	<b>70,459.56</b>	<b>87.5%</b>
<b>Total Liabilities</b>	<b>151,005.92</b>	<b>80,546.36</b>	<b>70,459.56</b>	<b>87.5%</b>
<b>Equity</b>				
3120 - Reserved Earnings	491,405.54	295,994.00	195,411.54	66.0%
3130 - Retained Earnings	1,125,416.90	401,839.00	723,577.90	180.1%
Net Income	1,049,813.38	1,496,366.70	-446,553.32	-29.8%
<b>Total Equity</b>	<b>2,666,635.82</b>	<b>2,194,199.70</b>	<b>472,436.12</b>	<b>21.5%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,817,641.74</b>	<b>2,274,746.06</b>	<b>542,895.68</b>	<b>23.9%</b>