

Visit McMinnville Board of Directors Meeting Minutes

July 19th, 2017

Board Attendance: Erin Stephenson, Maria Stuart, Ellen Brittan, Ty Rollins, Jen Feero, Dani Chisolm, Courtney Cunningham, Jeff Towery, Kellie Menke

Staff: Jeff Knapp, Nick Prelog (via phone)

Public: Steve Rupp

Absent:

Board: Emily Howard, Cindy Lorenzen

Staff: Kitri McGuire

Knapp opened the meeting at 9:35am welcoming Dani Chisolm as our newest VM board director.

Knapp presented minutes from June 2017. Stephenson motioned to approve minutes as presented. June minutes were unanimously approved as presented.

Knapp took a moment to explain our financial reporting/contracted support staffing to our new board member.

Knapp presented print outs of May 2017 financials, projected additional expected revenue from additional 2% TLT income for the upcoming year and the proposed adjusted budget per Nick Prelog's work. Brittan pointed out that the new TLT ordinance goes into effect August 1st, so we will not begin to see the additional revenues until November 2017. Brittan also pointed out the transition from our accrual based to cash based accounting.

Nick Prelog, CPA was conferenced in to review financials. Prelog noted that May 2017 was on target. Prelog and Brittan pointed out a double payment discrepancy in the expense category for rent that will balance out in June. Prelog also brought up being under budget for the month in Marketing/TV expense. Knapp pointed out that we were over in that category last month due to timing of invoicing and that it should balance out at year end. Expenses vs income were within \$300 discrepancies. Knapp noted that we spent \$10,000 budgeted for earlier in the year for implementation of our wayfinding plan with Sea Reach. Brittan noted that the intention was to recognize the expense in the fiscal year that it was originally budgeted for. Prelog noted discrepancies in the Collateral budget line item. Knapp reported that we are switching from accrual to cash basis in the Collateral area and that he will work with Michelle and Prelog on that transition in accounting. Brittan noted that income was budgeted at 9% based on projections established in the original FY17 budget with Greenstone and that we are seeing what is closer to a 6% overall increase. We have paired down expenses to close match projected income. Knapp noted that we have projected a conservative 4% projected income

for FY17. Prelog noted an \$8k discrepancy in the employee compensation line item. Knapp pointed those savings to he not receiving budgeted employee health benefits as offered. Brittan went over current cash flow analysis and use of line of credit.

Knapp presented the proposed adjusted FY18 budget taking into consideration the projected additional 2% income. Estimates are that we will receive an increase \$78k as income in the upcoming fiscal year between. Prelog forecasted that by end of FY18 having paid the line of credit down to \$27k and holding \$75k in reserves, we will have an additional \$48k to use as the board sees fit. Brittan clarified and said that it would be up to the Board to decide the best strategy moving forward. Discussion between the board about budget process ensued.

Stuart moved that financials be approved as presented. Feero seconded. Board moved to unanimously approve May financials as presented.

Prelog noted that Michelle Senior our bookkeeper will be on vacation for two weeks in August. Brittan added that Michelle will run payroll ahead of time and that any last minute payments needed will be issued hand-written check in her absence.

Knapp noted that we have signed an engagement letter with Bernards and Associates to begin our annual end of year review process and filings. Prelog left the meeting.

Knapp issued our June marketing and PR report noting upcoming media visits from China, Vancouver BC and NYC. End of fiscal year Marketing Report will be presented in August with EOY financials.

Knapp recommended to the Board that the additional income recognized from the 2% increase go to fund a feasibility study into group sales opportunities in McMinnville. He has researched and interviewed several companies that provide this type of work. His recommendation is that Visit McMinnville contract one of the organizations to provide us with recommendations and data to drive our January 18 Board Strategic Visioning and Planning session. He reported that the process would be roughly 13 weeks long and is estimated to cost \$40k. After much discussion around the topic, Brittan moved to approve moving forward with the feasibility study with HVS/Portland and that we use the funding from the projected additional 2% TLT to fund it and front load it with the line of credit in order to have it completed in time for our strategic planning session in January of 2018. Chisolm seconded that motion. The Board voted unanimously in favor.

Knapp noted that VM is currently in the midst of strategically planning the execution of the upcoming Winter Marketing Campaign, funding integration and improvement of the VM website with Travel Oregon's OTIS database and submitting for a grant from Travel Oregon to help facilitate that connectivity. In August Knapp and McGuire will report on process and strategy in all of those areas.

Knapp made the Board aware of a possible last minute marketing opportunity on an available out of home marketing placement. If the opportunity happens to come prior to our next meeting and VM feels it is worth the investment, he will email the board with the details and adjusted planned expenses taken out of current allocated budget for a vote.

Knapp reported that VM had been contacted by a local Marijuana dispensary in regards to tourism representation on the VM website. He let the board know that there is precedent in Oregon for representation of dispensaries on tourism websites and it is his opinion that if they are a legal, tax paying organization in our City, that they be represented on the website. After discussion as a board, he will bring a proposal to the August meeting on how, where and when they could be added to the site.

Knapp asked Towery if he could speak in regards to the upcoming proposed strategic plan for the City. Towery informed the board that he would be holding a special work session that evening to get City Council's direction on the process by which a broad, long range strategic plan would be developed. Knapp noted that he would be attending the meeting and would report back to the Board.

Knapp reported that over the last month he had met with several City leaders and citizens in regards to the growing concern about vagrancy and safety. Counselor Menke reported the City is working on a 3-5 year, structured plan addressing homelessness. Menke confirmed the City doesn't have funding to solve many issues, that the County is actually tasked and funded for things like mental health services. Discussion was had with the board regarding topics of better communication between the City and citizens/businesses, discussions that are being had on potential ordinance changes, and better use of verbiage by the board to make the distinction between homelessness and vagrancy/crime.

Towery reported on his involvement with the World Track & Field Championships in 2021. Knapp also noted that Visit McMinnville, working together with Linfield College and McMinnville High School, will be submitting a bid to be a host city for a track & field delegation. VM will report back on that when a decision is made by the committee.

The meeting was closed at 11:35am.