

HALIFAX AREA ADVERTISING AUTHORITY

**Regular Meeting
CVB Upstairs Conference Room
Wednesday, April 27, 2016**

SUMMARY MINUTES

The minutes reflect a summarized view of the gathering.

Board Present:

Mihir Patel, Kyri Drymonis, Steve Farley, Carol Platig, Jim Berkley, Michael Kardos, John Betros John Phillips, Blaine Lansberry, Libby Gallant and Samir Naran.

Guests:

Bob Davis, Evelyn Fine, Charles Hargrove, Hardy Smith, Rudy Webb. Cedar Hames, Edison Frazer, Elizabeth Grifford, Jerry Coriter, Jim Abbott, Carl Brigandi, Gary Bonner, Don Bosworth, Suzanne Heddy, Norm Patel and Holle Palot.

Staff:

Lisa Bordis, Shawn Abbatessa, Greg Price, Lori Campbell Baker, and Trish Ruffino.

CALL TO ORDER

Vice Chair Mike Kardos called the meeting to order at 2:00PM.

1. March 15, 2016 Meeting Minutes

There were no noted changes. The minutes are as presented.

JOHN BETROS MOTIONED TO APPROVE THE MARCH 15, 2016 MINUTES AS PRESENTED. JIM BERKLEY SECONDED THE MOTION. MOTION PASSED 11-0.

2. Executive Update

Trish Ruffino went over the Executive Update and the recent staff meetings. Time line for budget is staff has started prepping. We will have a budget workshop in June, present the final budget to HAAA in July and go in front of County Council in August. There were questions about our accreditation through DMAI and we are current which is great. We will have to get reaccredited in the fall.

a) Exit Audit

The County requires an exit audit when a director leaves. The county actually signed the contract with James Moore and Company and got them in here within two days. There was a \$15,000 charge for this which needs to be ratified. Britz-Parker said they will not discount the annual audit because it does not complement the annual audit. Lansberry tried to negotiate it down but was unsuccessful. The CVB's hands were tied because the county ordered it. Ruffino added we have money in the marketing research misc. line item because we only budgeted for the annual audit.

Naran asked if the board had a say in this. Chair Lansberry said that the County Council motioned that any time an Executive Director leaves the authority has to be audited. Chair Lansberry added the county has a contract with James Moore and have done a good job but this is something the County Council ordered and implemented with them directly.

STEVE FARLEY MADE A MOTION TO RATIFY THIS \$15,000 FOR THIS AUDIT. LIBBY GALLANT SECONDED THE MOTION. MOTION PASSED 11-0.

b) Time Keeping

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The HR Committee gave the blessing to move this time keeping forward. Charles Hargrove suggested we look into a system that would bring us into the 21st century and save employee time. This will save time and resources because it will integrate right into the payroll system we current use with TriNet. There are a lot of options with this that we can take advantage of, ultimately saving money.

Naran brought up that the committee brought up putting this into place at the visitor centers and computers and such. Abbatessa added that both visitor centers will now have internet connection and we can get a simple PC at each place which will help them when visitors come in also.

JOHN BETROS MADE A MOTION TO APPROVE TRINET TIMEKEEPING PROPOSAL. MIKE KARDOS SECONDED THE MOTION. MOTION PASSED 11-0.

c) Future Meeting Space

Ruffino met with the Chamber. The first indication is there will be a 30 day notice sign which at the end of the 30 days the bridge will close. The street will end at the red light and our parking lot will only be accessible through that point. There will be times employees will work out of the office. This will likely make our last meeting at the CVB. Board members asked about a few meeting places we can have meetings. Mike Kardos brought up a permanent solution to moving all together. Bob Davis added there are other buildings that have big board rooms we could look into using versus looking at a new rental double what is being paid. Libby Gallant added we can ask the Ocean Center for a meeting room also. Naran mentioned the geo-timestamping for employees on the days we have to work out of the office.

3. Chair Update

a) Addition to the HR Committee

Chair Lansberry brought up that the HR Committee was started as a result of the 501c6 being dissolved. This committee looks at policies and procedures, HR issues, time keeping issues and looks at what is going on with our personnel. We now need to add a third member. Mihar Patel has volunteered and Chair Lansberry is asking for the board's approval to add him to the committee.

KYRI DRYMONIS SECONDED THE MOTION TO APPROVAL MIHAR PATELS APPOINTMENT. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

b) Committees

Applications are still being collected so please submit any applications that you have. The more brain power, the better. Chair Lansberry is instructing that Ruffino and the director review the committees mission before the next meeting to reassess the missions that have be set. All of our committees should be going after new business, doing something at a higher level. More Heads in Beds for all of us is the goal.

c) Housekeeping Items

Lansberry said over the last month she has been talking to a lot of the county staff, council members and our employees here about what has been going on around the CVB and the county's involvement. There are a lot of opinions that differ. Lansberry heard from a number of the county elected officials that they would like to hear from their appointees more often as to what we feel are

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the top issues and hear it directly from the board versus from others. Lansberry attended the County Council last Thursday which made her realize the Council are not getting the communication they need. She had a conversation with Shawn Abbatesa and Trish Ruffino and LCB about reigniting what we used to do. We used to put out a newsletter for others like the county, the universities and such. One of the issues was that there was not cooperation between the authorities as they were not aware of what work we were doing. Abbatesa came up with a list of about 40 items of things we have done and continue to do in cooperation with the other authorities. Lansberry is going to ask staff to quickly move forward with that.

Bob Davis suggested calling the council member who appointed you every month or so and updating them. They want the Executive Report from the Executive, not minutes of a meeting.

Lansberry added that the reason we have an HR committee because our status of a 501c6 was done away with. For more than 20 years HAAA operated a tourism agency which functioned as a personnel management company and the county has now been increased county involvement. This involvement has caused some confusion, especially among our staff. She has been attending the staff meetings. The chain of command confusion exist within our staff and "I am confused," said Blaine Lansberry. The county has an idea on how things should work and it doesn't match what we have in place. There was a policy and procedure in place to handle things like the last issue that came up. That was our issue but the county made it their issue and we weren't given a chance to deal with it. Also we were not made aware of it until County had an investigation already on going. At the heart of all of her discussions is the interpretation of the actual legislation that set up the HAAA Board. The Statute states that HAAA administers the tax funds and that is what we have done for the last 20 years. There has been little to no drama until the past few years. A possible way to clear up the confusion regarding who does what, what is the county's responsibility and what is ours, is to ask the Florida Attorney General for a clarification of the legislation/statute that sets us up. After having a conversation with Jim Dineen, he seems to be receptive with the idea of the county and HAAA jointly asking the Attorney General for clarification but no movement has been taken yet.

The county is talking about having a joint workshop to help with some of this and a step in the right direction Lansberry adds that for the county to be okay with what we do and for us to be okay with the county. If there is an employee issue there is a chain of command. Right now does the staff follow chain of command? Staff has a chain of command in place; director, the Executive Director and then the HAAA Chair. Essentially a ship without a captain has been created. They have been instructed to go to county HR which needs to be clarified. Lansberry is looking to getting this back to know who is responsible for what. Lansberry wants to move forward working together with taking advantage of the good taxes coming.

STEVE FARLEY MADE A MOTION TO GO HEAD AND MOVE TOWARDS PAM BONDI'S OFFICE AND SEND THE ISSUE TO HER FOR CLARIFICATION TO GET THIS RESOLVED. MIKE KARDOS SECONDED THE MOTION. MOTION PASSED 11-0.

Davis added the HLA have contacted John Kaney, the best Constitutional Layer in Florida and that when this letter is written we want to make sure that the proper questions are asked and everything is correct.

Chair Lansberry added in that her discussion with Dineen was cordial, one of cooperation and agreed that we need to work together. This would involve the other advertising authorities as well.

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The next chair should be involved in preparing the question and this shouldn't be a County question alone or a HAAA board question alone in Lansberry's opinion.

4. Financial Report

Ruffino thanked Shawn Abbatessa and Rudy Webb for the presentation to the County Council. Ruffino went over the numbers for the month of March. We are at the turning point now with collections that will come in from now until the end of the fiscal. Ruffino added that we have had some communications with the county about the estimates for this fiscal and for next.

The county okayed submitting an increase of 5.2% and 7%. If the county gives us a lower amount we have to go back and ask for approval in order to spend it. John Betros asked what Ruffino recommends. She recommends 7% and thinks that seems reasonable. Kardos thinks that 7% is reasonable and 5% is a little low. Jim Berkley just asked about the overage. Drymonis added that it takes almost a whole year to get the money. Davis added was always low ball and then has to go to the county for it later. Chair Lansberry added this year we have been trying to get in front of county since February. Naran added that he thinks STR is report that has a projection which could be a good tool. Chair Lansberry states that she understands the board is okay with 7%. Gallant thinks 7% is reasonable because 5% is too low.

MIKE KARDOS APPROVED THE FINANCIALS AS PRESENTED. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

5. ADR/OCC Report

Evelyn Fine went over the OCC/ADR report. The February OCC was 89% which needs to be kept in mind next year.

Fine added that this is the time of the year they do the Image and Use studies which is in the budget but needs approval.

STEVE FARLEY MADE A MOTION TO APPROVE THE TWO IMAGE AND USE STUDIES FOR \$9,500 EACH. MIKE KARDOS SECONDED THE MOTION. MOTION PASSED 11-0.

6. Executive Search Update

Fine updated on where she was with the Executive Search. We got about 60 responses with about 20 in the tourism field. There are 8 that have executive experience. She is asking Chair Lansberry to appoint a search committee to review. Fine will do the reference check and then bring to the committee for review and then the county will do the background and credit check.

Chair Lansberry stated she needs a committee to be formed. Last time there was a committee of six and then the whole board sat in the last interview.

The following volunteered and were okayed by the board:

- ◆ Libby Gallant
- ◆ Jim Berkley
- ◆ Mike Kardos
- ◆ Kyri Drymonis
- ◆ John Phillips

Any members are allowed to attend the meetings and Fine expects to be completed by the end of June.

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7. Market Development

Abbatessa explained that Wings and Waves was cancelled. Last board meeting there was a vote to approve the funding for this event.

STEVE FARLEY MADE A MOTION TO REVERSE THE FUNDING. KYRI DRYMONIS SECONDED THE MOTION. MOTION PASSED 11-0.

Abbatessa gave a market development update. Biketoberfest Master Plan has been sent out. Abbatessa added that the CVB has received several awards recently.

8. Paradise Update

Cedar Hames introduced a new team member. Elizabeth Gifford updated the March ads.

9. Officer Appointments

This is the annual meeting for election of officers. Chair Lansberry adds it has been a challenge but been good. Staff has stepped up to the plate and it has been nice to see the director's help out. Lansberry wants to say thank you to the staff.

Nominations from the floor:

JOHN BETROS WOULD LIKE TO NOMINATE MIKE KARDOS FOR CHAIR. STEVE FARLEY SECONDED THE MOTION. MOTION PASSED 11-0.

MIKE KARDOS WOULD LIKE TO NOMINATE BLAINE LANSBERRY AS VICE-CHAIR. SAMIR NARAN SECONDED THE MOTION. MOTION PASSED 11-0.

KYRI DRYMONIS NOMINATED STEVE FARLEY FOR SECRETARY/TREASURER. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

The new Chair, Mike Kardos took over the meeting following the motion.

10. Partner Reports

No Partners were in attendance to share updates.

11. Group Sales

Linda McMahon is not present but Hardy Smith is here to present a \$11,500 ask for funding for the first year (2016) of a three year contract with FHSAA.

a) FHASAA

Smith asked for \$11,500 funding request for the FHSAA. Shawn Abbatessa added for the record that the Advertising Committee did not see this request; it went in front of the Sales & Marketing Committees. Kyri Drymonis asked about the benefit of giving more advertising dollars to this event. Smith explained the funding would help relieve some of the expenses of the event. Drymonis wants to know if there has been any added benefit of the NAIA games other than the direct bookings from

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the game on game day. Smith added we are now competing with Orlando with these big events. The NAIA invests led to the Offense/Defense which generated interest in the Municipal Stadium and other games and events. This resulted in being booked solid. It is safe to say the NAIA has generated the awareness of the stadium and getting other interests in other sports. The NAIA was the first trigger and by hosting those events it got us on the radar with others seeking us out.

Lansberry asked about the money being spent on Admin and Smith said he knows it would have to be used on outside marketing.

BLAINE LANSBERRY MOTIONED TO APPROVE \$11,500 FOR FHSAA TO BE USED ON OUT OF TERRITORY ADVERTISING. KYRI DRYMONIS SECONDED THE MOTION. MOTION PASSED 11-0.

b) NAIA Football

Smith explained that the partnership with NAIA football has been reaching out further than just the game itself. We will be in year three coming up for the 2016 game. We are considering an extension to this current agreement for two more years. The first step is to see what the partner's thing. Year one the total budget was 236,000, year two was 227,000. Both the HAAA board and the City of Daytona Beach committed to both investing \$58,000 in cash. There is no making up this money in sponsorship. They are wrapping up the financials for year two and are write at breaking even. There are positive things that are happening because of the relationship being built. Year two of NAIA we had the same two teams but changed the game from Friday night to Saturday night resulting in a 500 room night increase. The city will be proposing a two year extension with a \$58,000 request for each year and support from the CVB staff. Kardos asked if the expenses going down, the request should be lower. Smith said that it has probably lowered and will stay that number, not get lower. Naran asked about the deal which included some sort of return. Smith said that the first year they lost between \$60,000 - \$70,000 and this year about \$10,000. Naran also asked if we have gotten anything back like a cash return which was originally discussed. Smith said no there has not been. Lansberry likes measurable and ROI but there are a couple of other things that we have approved that is similar. The ratio you add in when considering the other events that have been brought here because of this event is what needs to be considered.

John Phillips added that this championship brings in other events under the NAIA umbrella which are not factored in as well. Naran agrees that it brings in other things, because we are now adding in other events with funding. Naran added that \$58,000 is a lot of money. Drymonis asked if there are any guarantees with getting this contract. Smith said there is no guarantee that it is open for bid from anyone and they are shopping.

Smith added that this money has been going to air travel and TV rights. Naran wants to know what the budget is for advertising to make sure it has enough money to cover this request. Farley asked if we have documentation pertaining to the last two years agreement.

This motion is just to go forward with the discussion of getting this contract. Phillips asked about the board being in the discussion with NAIA. If the proposal is not won, this funding is not applicable.

BLAINE LANSBERRY MADE A MOTION TO APPROVE THE FUNDING REQUEST OF \$58,000 IN ACCORDANCE WITH EXISTING GUIDELINES AND TO BE INVOLVED ON THE FRONT END WITH

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DECIDING CREATIVE AND ADVERTISING FOR 2017/2018, IN ADDITION, IF SOMETHING IS IN THE BLACK THERE IS A 50/50 SPLIT WITH THE CITY. STEVE FARLEY SECONDED THE MOTION. MOTION PASSED 11-0.

*Lansberry requests board to be involved in where this money is spent and that is a stipulation of this motion.

12. PR Update

Lori Campbell Baker gave a quick Public Relations update. They are excited they have had two writers in from the UK and 5 writers in for the Spring FAM. She has positive energy with journalists wanting to come to Daytona Beach.

13. Committee Updates

Ad Committee- Did not meet.

ACHT- Carol Platig updated the new Arts and Cultural Map is being distributed now. The committee discovered they were not in the hotel racks. The ACHT committee has decided to create a sub-committee for the new Share the Heritage brochure. The committee has decided to change the heritage trail to the new African American Heritage trail. Suzanne Heddy headed up the sub-committee to create this new Arts and Culture Map and they are pleased with how this came out. Naran thinks this Heritage Trail is fantastic.

Biketoberfest- did not meet but will be shortly for the Master Plan to get approval.

HR Committee- went over the timekeeping and also the Mission Statement. Additionally Ruffino and Lisa Bordis finally got salary ranges and a lot of work went into it and will bring it to the board for approval. The last time a salary range was development was in 2009 so the update was needed.

M&C- discussed a lot of proposed budget items and Hardy Smiths asked. Linda also wanted to mention the importance of hotel partners to complete the ROI. If you get leads from shows it would be helpful to get that information to the CVB.

Sports- discussed most of the items already. There are new facilities at Daytona State coming. Another piece of inventory for sports venues.

T&T- presented the draft 2016-17 travel schedule. They have 60 tourism inquiry leads sent to date.

14. Old Business

Lansberry added that the golf program is still taking signups; please encourage your neighbors and your hotels to sign up. There is a budget committed to this and partners need to be involved.

15. Public Participation

Bob Davis added that the Tourism Week Breakfast is May 4th and they have 200 reservations.

THE MEETING WAS ADJOURNED AT 4:26 pm.

**Respectfully submitted,
Lisa Bordis
Executive Assistant**