

HALIFAX AREA ADVERTISING AUTHORITY

**Regular Meeting
BW Plus International Speedway
May 17, 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:

Joyce Cusack, Charles Hargrove, Rich Musgrove, Jim Abbott, Elizabeth Gifford, John Morgan, Rudy Webb, Cedar Hames, Karrie Holt, Charles Carbiener, Ryan Ronk, Gloria Keg, Carl Bryandi and Kevin Bowler.

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 2:01PM.

1. March 15, 2016 Meeting Minutes

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

JOHN BETROS MOTIONED TO APPROVE THE APRIL 27, 2016 MINUTES AS PRESENTED. CAROL PLATIG SECONDED THE MOTION. MOTION PASSED 10-0.

2. Executive Update

Ruffino rejoiced we had a record setting March. We shared this terrific news through a press release when we got the notification at the end of National Tourism Week. See the Executive Update for more details on things going on at the CVB.

Committee Appointments

There is a grid with each Committee listed for recommendation for approval. There are a few vacancies for Chairs for Advertising Committee and Tour and Travel. Jim Berkley is willing to volunteer for Tour and Travel. Ad Committee has three board members but still need a Chair. Table Advertising Chair choice for after meeting to determine who can do it. Lansberry is willing to consider but needs to discuss first.

JOHN BETROS MOTIONED TO APPROVE THE COMMITTEE APPOINTMENTS. JOHN PHILLIPS SECONDED THE MOTION. MOTION PASSED 10-0.

3. Group Sales Update

Group Family Travel is brought for consideration. The Plaza Resort and Spa was up for this group. The concession which was signed off by Tom to promote the event and there are some additional costs with this. The host hotel is reviewing some concessions before we can move forward. Chair Kardos would entertain thoughts from any board members but he would assume that any movement forward would need to look at the host hotel to see where they are first. This is a space intensive meeting so it limits the options but they are required to honor some concessions and have decided to look into that first. Chair Kardos said that he thinks it is a significant amount to commit for only 350 nights. Mihir Patel said the last few years we have done well during this time, is it still

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needed? McMahon said that certain opportunities are going to be difficult because of many parts and there might be something else we can look at. Samir Naran wanted to know what kind of value this group could bring to the city. McMahon can look to see if the hotel is ready to move forward and bring it back to the board if so.

County Council Woman Joyce Cusack joined the meeting and was welcomed. She thanked for everything they are doing.

4. Executive Search Update

John Phillips said that Evelyn brought a group of 8 to the committee. The committee had lowered that level to 5, with 3 withdrawing it left 2. Evelyn has more resumes so the committee is going to reconsider the list to get close to the number 5. Chair Kardos explained the next scheduled meeting was June 17th and 20th. We are going to try to circle back and get a few more options before that. We can set up a search committee meeting before the 17th. Lansberry said it is not unheard of to recast the net if needed, to not force the candidates if they aren't happy with the options. John Phillips there are 12 candidates' resumes the committee has not seen and will review to see what the next step is.

5. Financial Report

Trish Ruffino said the numbers are through April 30th. The budget number listed is for April and we are on track. Expenses are on track except for advertising which is because of timing. We have since received the March collections on last Friday. We are tracking year to date over 15% year over year. Naran asked about the year-to-date actual, the budgeted number is showing, not the actual. Naran asked for actual instead of budgeted so they can compare accurately. Lansberry said that if you do that the expenses are through April, and will look wrong. Ruffino will give it some thought and go from there. Chair Kardos asked about getting the figure better, even if it is unaudited. Platig asked what the down side of only doing March or April, Ruffino said you don't get a clear picture of the previous month ending. Lansberry asked if you can do a preliminary for the month. So final March and preliminary April.

Steve Farley made a motion to approve the financials as presented. Mihir Patel seconded the motion. Motion passed 10-0.

6. ADR/OCC Report

Evelyn Fine is out of the country but the ADR/OCC report is in your packets. We had a very good month.

7. Market Development

Chair Kardos read out a Bike Week Task Force appreciation letter from the Daytona Beach Chamber.

Shawn Abbatessa added that the \$35,000 in additional advertising money ROI was great.

Additionally he presented the Summer Newsletter that is going out. Fresh off the press is the new annual Visitor Guide which is a zero cost model for the CVB. This is the third year of this publication and are very pleased with the advertising they expanded the guide by eight pages from last year.

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Abbatessa said that all three funding request went through the Advertising Committee and were approved.

a) Halifax Art Festival

This event has never come before us for a funding request and is here requesting \$5,000. The Halifax Art Festival is in its 54th year. Artists come from all over, about 250. There are about 30,000 people that come to the festival. She had no way to find out how many heads and beds were gained from this event. They came to a conservative number of 762 room nights. They have a net profit of \$35,000 which goes to the MOAS. This festival takes about 4,000 hours of work to put on. The festival has sponsors, in-kind contributions and donations. There is a multimedia campaign. The \$5,000 would cover Tampa and Orlando.

Abbatessa added that there is a total of \$38,000 requested and there is over \$50,000 left in this budget year plus what has been returned from Wings and Waves. Chair Kardos said this is a November event so would come out of the next year's budget. Abbatessa said that historically they have taken out the money from the budget for the month it has been asked. Lansberry said that for years they have never commitments for future budget years because of not knowing what can happen. Naran said we have \$90,000 coming from this year's budget and could code it to this year's budget. Pat has also agreed to do a survey during the event to get more research. John Phillips suggests getting this a special link to track.

CAROL PLATIG MADE A MOTION TO FUND THIS HALIFAX ART FESTIVAL FOR \$5,000. STEVE FARLEY SECONDED THE MOTION. MOTION PASSED 10-0.

b) Blues Festival

Last year this festival requested \$7,500 and was approved. This year they are asking \$8,000. Frank added this is their fourth year requesting funding. The event is in their seventh year. They are a total non-profit organization and no salaries are paid. The strategy of a Blues Festival is to get as many locals as possible to help support getting those from outside the area. Many of the surveys show they are returning customers. Many of the attendees use their rewards program to book their rooms which makes it more difficult to track. Fourteen hotels offered specials for the festival and are listed on the website and then can be tracked that way. Money from the HAAA Board makes up 15% of the marketing budget. There is targeted advertising, national advertising and out of market advertising.

Lansberry added the Advertising Committee was all in favor for the request, approved unanimously. Chair Kardos said that last year room nights has grown from 1,200 to 1,500 room nights. The dates of the event is October 6-9th. There may be some reach over to the bikers, Abbatessa said they tested it two years ago and hit it strong last year. He feels it paid off to marry the two events and will continue to do this year.

JIM BERKLEY MADE A MOTION TO APPROVE THE \$8,000 BLUES FESTIVAL FUNDING REQUEST. SAMIR SECONDED THE MOTION. MOTION PASSED 10-0.

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c) Symetra

Abbatessa explained that he is on the committee for this event. This event is in its 8th year and they are asking \$25,000. The total room nights is approximately 2,000 rooms with an estimated \$1.4 million economic impact. Kevin Bowler added that they would add the HAAA board as a presenting sponsor. The second Thursday, Friday and Saturday events coincide with Biketoberfest and is also Columbus Day weekend.

Ryan Ronk added that they did some sweepstakes and contests to promote the event and destination as this is really an international tour. Kardos asked if this is considered sponsorship money. John Phillips added this event is great and is happy they are including Biketoberfest is this event.

STEVE FARLEY MADE A MOTION TO APPROVE THE SYMETRA FUNDING REQUEST OF \$25,000. JOHN PHILLIPS SECONDED THE MOTION. MOTION PASSED 10-0.

8. Paradise Update

Elizabeth Gifford updated on consumer advertising for March. There is media running in print, digital, out of home and television. The co-op with Visit Florida, the DBIA and the CVB put together a new spot. This new :10 spot runs in New York area in the morning before the news. This came out of the collaborative funds and really hit the market strong.

For March the click through rate is .15 which is better than industry standard. The latest media plan was presented last October and has been followed since then. Chair Kardos asked about reallocating the existing budget verses adding to the budget. The Geo-fencing line item would be for a mobile program in certain areas. They are serving more impressions than anticipated and that costs extra. All of the analytics cost more money which is where we are at.

Real impressions are an independent third party audited verification to give them the information. These real impressions are real people and can now report on unique reach and frequency. Real time analytics is one platform with standardized analytics, performance optimization and new analytics. Vendors will start to bill off the verified numbers based on ad server vs theirs. This could result in 10% savings to be used to purchase more ads or reinvest.

Naran wants to clear we are taking the geo-fencing and turning it into ad servicing fees. The \$14,034 number should be monthly not one time fee. It is an average and was not approved correctly in the beginning. What is the number that is most accurate. Rudy Webb said they anticipate it to be between \$65,000-\$85,000 for this fiscal year. Naran said that if there is a discrepancy, they normally allow them to change what they pay. Webb explained that it is becoming a standard on how they pay moving forward. Media vendors are now invoicing based on numbers provided compared to theirs. The standard a third party vendor doing the numbering which is why they are confident they won't have an issue with billing this way, in turn saving a good amount of money. Lansberry wants to make sure that the cost was mistakenly budgeted and they are trying to correct it now. The dollars saved will be put back into advertising or covering the cost of the ad server.

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March is still waiting to be approved, which is about \$8,000 which would have brought us about \$1,000 over the budgeted number. Naran asked what the annual fee is. They are estimating \$10,000 per month making it \$100,000 annually. There should be a solid number based on historical

BLAINE LANSBERRY MAKES THE MOTION TO APPROVE THIS \$100,000 TO BE REALLOCATED FROM THE GEO-FENCING TO AD SERVING FEES WITH DOCUMENTATION WITH MONTHLY EXPENSES, RESULTING SAVINGS AND THE REINVESTMENT OF THE SAVINGS. STEVE FARLEY SECONDED THE MOTION. MOTION PASSED 8-0 (LIBBY AND KYRI LEFT)

Joyce Cusack asked how we measure the success of the program. Rudy Webb said the ultimate goal is the OCC/ADR and RevPar but the impressions and click through from the responses determine the success.

9. PR Update

LCB participated in Crisis Management Preparation for Hurricane Season. Tonya West was recently awarded the Embark Award and they are proud of that. LCB will be on Visit Florida Global committee.

LCB is working on a Newsletter on what is going on within the CVB which will come out every two months. It is going to include numbers, what writers are saying and how we focus on Orlando and important things on how we do our marketing. Chair Kardos said there will be language about the collaborative efforts with the other two CVBs.

10. Committee Updates

Advertising Committee – Lansberry said we covered everything.

ACHT –Carol Platig said new committee meets on July 12th at the CC &Hyatt Museum. Lansberry suggested having a meeting there. They have produced several culture videos. They have created a subcommittee for the African American historical and culture sites.

Biketoberfest- Kyri will be Chair again. Tomorrow notification will go out for June 2nd committee meeting. July 6th he will go before City Commission to get Biketoberfest Master Plan approved.

HR Committee- We did not meet. There was a clarification to the salary band analysis which the committee wanted completed, and were discussed at the last meeting. This exercise was last done in 2009. This first draft of salary ranges or bands was presented to the new committee to assess current compensation is in line with information collected by DMAI for 2014. This data wasn't intended for internal adoption and was done solely to give the committee a "comfort level" as one measure in light of other CVB's as to our compensation being in line with similar revenue and/or staff size.

M&C, T&T and Sports – Did not meet.

11. Old Business

Volusia County Council has requested a workshop with HAAA. Joann Magley has moved this date to June 30th at the airport. Lansberry added that date is very hard right before a busy time for hoteliers. Joyce Cusack is making note of that and address at County Council.

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Chair Kardos also brought up the Attorney General discussion which was had last meeting. He wanted to know where we stood with that. Lansberry said that she spoke with Dan Eckerd and was intending to clarify things that have been going on. Charles Hargrove thinks that after the workshop this is something we can move forward on and get a general approval from.

Joyce Cusack suggest getting them dates that could work for our board. This can be communicated through Joan or Dr. Cusack herself.

Ruffino said that an exit audit was requested after Tom left and there was no findings and all was compliant.

The budget from the county would be \$8,286,939 for next fiscal which is over 9% year over year. This is a good place to start.

Ruffino added that our employees got a spam mail from Pat Rice which everyone should not open.

12. New Business

During the meeting of the Search Committee Mr. Levy, a member of our Jewish Community stated concern of offense taken from the alleged comments from our former Executive Director. Chair Kardos read an official comment from the board on this matter; We sincerely apologize for any offense that the alleged comments of our former executive director, as reported in the DBNJ, may have caused. Please be assured that these comments in no way represent the sentiments of the dedicated members of our board or our staff. In our mission to promote visitation to our destination, please know that our continued positive relationship with our local community – and the rich variety of groups it represents – is both critical and very much valued.

BLAINE LANSBERRY MADE A MOTION TO APPROVE THE STATEMENT. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 8-0.

13. Public Participation

William Levy lives in Ormond Beach added that the article by Jim Abbott regarding Tom Caradonio's allege comments were offensive to the Jewish Community.

He gave thanks for the apology and wants to request a \$5,000 financial contribution to the Jewish Community which he would distribute. Chair Kardos said that there is a procedure for funding requests and he would need to contact Shawn Abbatessa and follow the process.

THE MEETING WAS ADJOURNED AT 4:27 pm.

**Respectfully submitted,
Lisa Bordis
Executive Assistant**