



**Sioux Falls Convention & Visitors Bureau**  
**BID Board of Directors**  
**Minutes**  
**June 19, 2013**

**Sioux Falls Convention & Visitors Bureau Board Room**

<b>Presiding:</b>	Chrissy Meyer, Chair	
<b>Voting Members Present:</b>	Sara Bogdanov Jan Grunewaldt	Karen Masterson
<b>Voting Members Absent:</b>	Reid Christopherson Lee Howell Mike Miller	Shailesh Patel Mark Wahlstrom
<b>Non-Voting Members Present:</b>	Jim Entenman	Teri Schmidt
<b>Others Present:</b>	Tracy Turbak	Kathie Puthoff

Chrissy Meyer called the meeting to order. There being no quorum of Voting Members in attendance today, we will hold today's meeting as an informational meeting only. Reid Christopherson and Mark Wahlstrom had previously notified that they are unable to attend today's meeting.

There is no approval of agenda and no approval of minutes due to no quorum.

**Financial Report**

Teri Schmidt advised that the financials are in the packet. Expenses are running very normal. Teri highlighted some line items and noted that some areas still have money to be spent in this fiscal year and we do plan on spending it. Teri highlighted the Annual Budget amount of \$171,000 in BID Sales Development – Bidding – Incentives/Promo/Bussing includes the \$50,000 Opportunity Fund that was approved at the last meeting.

Teri stated that based on the rate that the BID tax is coming in, we believe we will end the year with \$100,000 - \$150,000 more than what was budgeted. The CVB has prepared a prioritized list to propose for spending the additional income, and will finalize the list with costs and email to the board. These dollars must be spent in the current fiscal year.

Jim Entenman suggested we add another \$50,000 to the Opportunity Fund, in which case we would have \$100,000 rather than \$50,000. Teri said the only thing is it takes so long to get things going. We are working really hard to bring everything to a higher level and keep it there. Jim commented that with the new Events Center, we need to plan ahead for that too. Chrissy Meyer reminded that we have to "fill" the Events Center too and we need to begin now in order to fill it when it is finally open, so need to plan ahead in that way as well.

## **Review BID Activity**

Teri reviewed BID Activity since the last meeting:

- Visitor Guide requests are significantly up. Teri reviewed top requests by state and country.
- Karen Masterson and Jim Entenman both commented that they like the idea of advertising in the Des Moines area.
- The number of visitors to Falls Park is significantly down for the year, primarily attributed to the poor weather so far this season. South Dakota Tourism is reporting that tourism activity across the state is down as well.
- Advertising campaigns are moving forward.
- The Annual Report was handed out at the annual meeting, but reports are also available today for those who did not get one.
- Three site visits are completed and we have two more site visits scheduled in August.
- The recent Washington, DC Sales Blitz generated 12 hot leads and has also booked one site visit for this August.
- The Fireworks convention is coming up in August.
- The Choral Directors were just here for a site visit.
- The CVB did a presentation to the Sanford Medical Team last week regarding the "Transplant Conference" bid. This 2016 conference includes all sports for any person that has had a transplant.
- PheasantFest is still considering Sioux Falls as a possible future site. One of the top organizers visited Sioux Falls recently with another planning a future visit.
- Teri reviewed recent CVB trade show and sales blitz activity. Jim Entenman asked, regarding blitzes, do you schedule appointments before you go? Teri reported that we spent approximately 4 months researching and scheduling appointments before we went on the DC blitz, as we do with all blitzes.
- Teri reviewed booked and lost business.
- Teri noted that the winter campaign the CVB ran last year, with partnering funds from South Dakota Tourism, went very well. We will again be working with South Dakota Tourism this year and are asking for \$110,000.
- We will be starting up the hunting campaign again.
- "BRVIP" inserts--\$307,700 in advertising inserts have been placed in several publications throughout the country. Teri reviewed the markets of these inserts and the targets.
- Visitor Guide requests are 35% ahead of last year.

Jim Entenman reported that he and Teri Schmidt attended the South Dakota High School Activities Association meeting in Pierre recently. Jim said they invited the board to hold their next meeting in Sioux Falls. This offer was declined. Five CVB's from across the state attended. Sioux Falls lost 2 events for 2015: Dance & Cheer and Track due to the board saying Sioux Falls has too many events. Jim said we instead invited board members to come to Sioux Falls for a Friday visit. We would like to host them before their regularly scheduled meeting on August 2<sup>nd</sup>.

## **City Tax Collections Overview**

Tracy Turbak reported the following:

- General tax is up 6.7% (Jan – May)
- Entertainment tax is up 4%
- Lodging tax is up 10%
- Unemployment is down to 3.3% from 3.9%  
(All reports available on the City's finance page.)

## **BID/Hotel Procedures**

Tracy Turbak reviewed information on procedures from the Ordinance. Occupancy tax is payable and due to the City by the 20<sup>th</sup> of the month from each hotel. Late fees can be implemented. Currently 46 hotels are paying into the BID. Initially there were 43. The majority of the hotels are up to date on payments. The City is currently working with two of the properties that are habitually late with payments.

## **Events Center Update**

Tracy Turbak gave an update on the construction progress at the new Events Center. Construction is on pace and going well. Chrissy Meyer asked if the BID Board could get a hard hat tour. Tracy said that Teri could contact Kendra Siemonsma and arrange for a tour. Teri will make those arrangements and send info out to the BID Board.

Tracy noted that the loge boxes and suites sold out very rapidly and will generate over \$300,000/year.

The project budget is \$117 million. As of July, the project is expected to be 50% complete. Jim Entenman added that \$1.8 million per year has been raised with naming rights, so the operating budget will be in the black.

Teri Schmidt asked if the board thinks the CVB should invest in advertising at the events center? Jim Entenman said we need to see what those opportunities are. Chrissy Meyer asked about a possible visitor center at the events center. Teri said it has been discussed to have at least a visitor kiosk. Teri mentioned a golf cart kiosk concept of moving throughout the venue. Chrissy added it would be ideal to have a permanent kiosk that you could staff at the key events. Jim Entenman stated he would like to see it be mobile. Teri will get together with Terry Torkildson to discuss again. The concierge concept was also discussed.

## **Election of Officers**

Teri Schmidt stated that we cannot elect officers today because we do not have a quorum. Teri distributed Board of Directors terms list from the City's website. As of now, all voting member's terms expire in 2014. Discussion followed on the need to make changes to stagger the terms so not everybody leaves the board at the same time.

## **Other Business**

Jim Entenman suggested we do a BID Board Information 101 at our next meeting as a reminder of the focus of the board. Chrissy Meyer asked if we should wait until we have new voting members on board? Jim said we need to know what the fiduciary duties of the board are? As we are getting into budgets, what does the ordinance say? Jim reminded that the Chamber/CVB budget runs on a fiscal year. The City runs on a calendar year. Jim explained lag time when appropriations and supplemental budgets need approval. Jim added that we need to make it simple, and pull the politics out of it. Jim stated that he, Teri, Tracy Turbak, and the Chamber/CVB accountant Joan Bartling met regarding fiscal year versus the calendar year that the City operates on. Jim believes the CVB needs to get on target with the City's calendar year budget. Jim stated he really would like to see Doug Hajek, the Chamber/CVB's attorney at the meeting as well.

Sara Bogdanov asked how new board members are integrated? Teri Schmidt noted that we supply a list to the Mayor and he appoints the board members.

Chrissy Meyer went back to the discussion of staggering terms. Jim Entenman has sent the ordinance to the City Attorney, Dave Pfeifle and will find out how we can go about getting staggered terms and will have Teri send that info out to everybody. Chrissy asked how many hotels we currently have in each of those categories. Teri will bring that info to the next meeting.

Meeting adjourned.

Respectfully submitted:

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Kathie Puthoff  
Name

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June 19, 2013  
Date