Sioux Falls Convention & Visitors Bureau
BID Board of Directors
Minutes
September 18, 2018
Sioux Falls Convention & Visitors Bureau Board Room

Presiding: Thea Miller Ryan, Chair

<table>
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<tr>
<th>Voting Members Present:</th>
<th>Scott Garrett</th>
<th>Tom Morris</th>
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<td>Tracy Kolb</td>
<td>Paul Schiller</td>
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<td>Sara McMahon</td>
<td>Steve Westra</td>
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<tr>
<th>Voting Members Absent:</th>
<th>Jean Hoesing</th>
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<tr>
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<td>Usha Parmar</td>
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<th>Non-Voting Members Present:</th>
<th>T.J. Nelson</th>
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<td>Teri Schmidt</td>
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<th>Non-Voting Members Absent:</th>
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<tr>
<th>Others Present:</th>
<th>Jason Ball</th>
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<tr>
<td></td>
<td>Janet Brekke</td>
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<td>Matt Brunick</td>
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<th>Alex LeBlanc</th>
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<td>Krista Orsack</td>
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<td>Kathie Puthoff</td>
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Chair Thea Miller Ryan called the meeting to order.

Approval of Agenda
Steve Westra moved to approve the agenda. Second by Sara McMahon. Unanimous approval.

As is required in the bylaws, there is a copy of today's handouts available on the back counter.

Approval of Minutes
Kathie Puthoff noted one change to the September 18, 2018 minutes. Natalie (no last name) attended from AGP Studios and not from Super 8 on North Cliff. Steve Westra moved to approve both the June 19, 2018 minutes and the September 7, 2018 minutes. Second by Tracy Kolb. Unanimous approval.

Financial Report
Teri Schmidt distributed the revised 2018 - 2019 BID Budget showing the changes that had been made per request by the board at the September 7, 2018 meeting noting the BID allocation amount to the BID Budget under Administration has now been changed from 75% to 66.6% and, also noted appropriate line items have been moved/adjusted accordingly. Teri reported that she presented the BID Budget to the City Council last week, both at the Council Briefing and the evening City Council meeting. The budget was approved by the Council.
Teri stated that we were contacted early last week by the Department of Revenue saying that they found an additional $8200 in misdirected restaurant taxes that were paid to the CVB in error over a 3-year span and would need to be repaid. Later in the week they again contacted us to say the amount due had grown to $12,000. This is all in addition to the $224,000 we discussed at the last meeting that they said was due. T.J. Nelson stated that the Argus Leader is doing a story on the Department of Revenue. Teri added that she and T.J. need further discussions on the matter and that we may need to bring in our attorney.

Teri reviewed the 7/31/18 financial report by line item noting that the end of our fiscal year is September 30. The auditors will then begin the audit and after that is complete we will have final year end numbers to report, however, this could take a few months.

Teri reviewed the BID Revenue Monthly Comparison report.

Teri reviewed the STR Report noting that Sioux Falls ranks #6 out of 11 in occupancy for our competitive communities. We are down 1% from last year. Rev Par is down 8%.

Steve Westra moved to approve the financials. Second by Tom Morris. Unanimous approval.

**Election of Officers**

Thea Miller Ryan opened the floor for officer nominations.

- Scott Garrett nominated Tom Morris for Chair. Second by Sara McMahon. Unanimous approval.
- Paul Schiller nominated Sara McMahon for Vice Chair. Second by Steve Westra. Unanimous approval.

Thea Miller Ryan passed the Chair gavel to Vice Chair Tom Morris. Tom asked for motions for the Secretary position.

- Thea Miller Ryan nominated Scott Garrett for Secretary. Second by Sara McMahon. Unanimous approval.

Tom Morris passed the gavel back to Chair Thea Miller Ryan.

**BID Activity**

Teri Schmidt reviewed leads, booked business, current tentative business, lost business and turned assist pieces of business. She stated that some of the reasons for lost business include cost of airline flights, not enough meeting space, and selecting another city. Discussion followed on the cost of airline flights.

Teri reported on the following:

- The CVB has hosted three site visits since we met in June.
- A 3rd party Ag planner is here this week for a site visit as well.
- The CVB hosted 1 FAM tour since we met in June.
- We have worked seven pieces of travel media.
- Teri reviewed recent staff tradeshows travel including ASAE and Connect Marketplace.
- Teri reviewed upcoming staff tradeshows travel.
- She reviewed servicing to groups that has been done since we met in June.
- Attendance of guests who have signed in at the Falls Park Visitor Information Center is down YTD by over 13,000 as of our August report.
- The Hunter’s Welcome at the Airport will be October 18-19, 2018.
- PGA is in town this week at the Minnehaha Country Club.
The CVB is hosting a Business Leaders Luncheon today. We have 4 of these luncheons scheduled in the coming budget year. Teri explained the reasons and process for the luncheons which were previously titled Target Market Luncheons.

- Advertising sales for the new visitor guide have begun.
- Teri stated some properties have indicated concerns with lack of workforce. She suggested speaking to Bob Mundt at the Sioux Falls Development Foundation.
- Teri distributed 3 industry related articles.

Krista Orsack reviewed overall marketing activities including an overview of all campaigns, metrics, etc.

Teri has been working with the Sioux Falls Convention Center on a booking policy and hopes to have this implemented soon. She explained that its expectation is to book groups that create the most room nights in the city. Steve Westra wanted clarification on what the booking policy will reveal. Teri stated it will clarify the type of business being booked and ensure it will drive economic impact for the community. Teri stated discussions have included which of the past events will be grandfathered in.

Teri reported that the Strategic Plan is in the final stages and should be complete in approximately 1 month. We will hold a special meeting at that time to present the plan. Teri added that one of the items that will come from this plan is the need for a Market Analysis. We have not had one in several years. We will need to write an RFP to acquire a business to do the market analysis. Paul Schiller asked if the market analysis will go across the board and not just focus on convention business. Teri said yes.

Teri spoke about on-line shopping – is it affecting Sioux Falls. We need to continue to promote the experience.

Janet Brekke spoke about the State Theatre. It needs about another million dollars for completion and she wondered what can be done to foster and nurture that. Paul Schiller noted that it’s a challenge to raise any money for anything art related. The City needs to look at what the benefit will truly be for the Theatre.

Other Business

There was no other business.

Public Comments

There were no public comments.

Adjournment

Steve Westra moved to adjourn the meeting. Second by Sara McMahon. Meeting Adjourned.

Respectfully submitted:

Kathie Puthoff

September 18, 2018

Name Date