

**Tourist Development Council Board Meeting**  
**Minutes – September 8, 2015**  
**Ocean Center Meeting Room 103ABC**

**Call to Order:**

Chair Jason Davis called the meeting to order at 9:04a.

**Board Members Present:**

Jason Davis, Chair  
Lori Campbell-Baker  
Tom Clapsaddle  
Libby Gallant  
Sharon Hughes  
Costa Magoulas  
John Masiarczyk

**Board Members Absent:**

Jason Reader  
Kelly White

**Approval of Minutes of June 9, 2015:**

Motion to accept the Minutes was made by John Masiarczyk and seconded by Tom Clapsaddle.

**Financial Report:**

Donna DePeyster, Volusia County Deputy County Manager CFO, reviewed the Quarterly Financial Reports through June 30, 2015 (refer to Agenda Packet). \$7.3M has been collected in resort tax as of 6/30/15; total revenue is \$9.9M; total operating expenditures of \$3.7M; debt service paid out is slightly over \$4M; total non operating expenditures of \$5.1M, leaving us with an ending fund balance of \$6.8M. We've started setting aside \$1.7M for our next debt service payment which is due 12/1/15. We have accumulated about \$5.2M in Ocean Center operations.

There were some outstanding items from our discussion at the last meeting regarding the Tourist Development Audit that was conducted by James Moore. A couple of the auditees still owed about \$17K, which I'd like to report we collected. We were able to collect the \$43K that we were owed in taxes. There was discussion about whether or not it was cost effective to pay for the audit and it was determined that it is beneficial to do audits and spot checks. Also, out of the \$5M accumulated in the Ocean Center approximately \$3M will be transferred over into capital projects.

Magoulas: What does the miscellaneous revenue include? DePeyster: Some of it is interest revenue, we did get other reimbursements that came in (at this time can't recall what they were). They are usually not directly related to the operational revenues that are generated by the Ocean Center. Poor: Some of the additional miscellaneous revenue comes from a \$2.00 service fee on tickets we sell as well as commissions we receive from the ATM machines.

Roseann Delperio, Ocean Center Marketing Specialist reviewed the Pace Report. 2015 – 114 contracts were received, rental revenue of \$1.027M with an increase of 16 contracts and \$124K over the same time period as last year. We will end FY 2015 with 111 events and revenue of \$977K vs. 102 events with revenue of \$925K (last year).

**Marketing and Sales Report:**

Don Poor, Ocean Center Director presented the Marketing and Sales Report for Angela Cameron-Daniels. Refer to TDC Notes in Agenda Packet for contracts received in the various segments, first time events booked, site visits scheduled and updated website/social media information since the last meeting. For the summer months (June, July & August) we hosted 26 events with 38K in attendance vs. 16 events with 32K attendance last year – it's been a good summer!

**Ocean Center Status Report:**

Don Poor, Ocean Center Director, presented the Ocean Center Status Report.

- Introduced Jim Wile, new Fiscal Resource Manager for the Ocean Center. Jim was President of the Florida Fire Chief's Association and has done business with the Ocean Center since 2008.

**Tourism Update:**

Evelyn Fine, Mid Florida Marketing & Research, Inc. presented an overall review of what's happening with tourism in Volusia County. The July 2015 Occupancy & Average Daily Rate Report has been included in the Agenda Packet.

- Overall occupancy increased by 4%
- Average daily rate increased by 6%
- Revenue per Available Room (REV Par) increased by 6%
- 4<sup>th</sup> of July racing at the Speedway and stormy weather were contributing factors to the overall occupancy and average daily rate during the month of July
- We continue to see substantial increases in REV Par countywide. Not only are we getting more people but more people are paying more money for hotel rooms
- On behalf of the Daytona Beach Area CVB (HAAA), we did some focus groups with meeting planners in New York City. Although they were for hotels w/meeting space, we think it's pertinent to the work you do here. The excitement about Jet Blue will really reverberate all through the meeting planning industry. We have a terrific opportunity to bring people here w/Jet Blue. Meeting planners are excited about it.

Byron: If you owned a company and to get the kind of loyalty factor that we heard from some of the folks in the New York area, they are Jet Blue committed. The more they learned about Daytona Beach and the more they connected it w/Jet Blue, the more they were interested in visiting here. It was a very positive focus group because we had a very positive meeting w/Jet Blue.

**Update from Partners:****Hotel & Lodging Association – Bob Davis reported:**

- Everything is great, we will beat last year and we will go ahead next year by 6%
- All three advertising authorities, including the Ocean Center, are working phenomenally together
- We may have paid more for the accounting services but you've got people now knowing they are being watched and so if we collected \$40K this year, we should collect that amount (or more) next year and the year after – which will pay for the amount spent on the audit.

**Daytona Beach International Airport – Jay Cassens, Business Manager DBIA reported:**

- Recently took over Steve Cooke's position when he retired. Jay came to Daytona from the Orlando International Airport where he worked in the Properties Department for 7 years.
- Through July, 629K passengers vs. 627K passengers last year – up 1% from last year
- July traffic was down 7%, however if you look at the load factors and demand for Daytona, they remain strong. Overall between US Airways and Delta, the load factor was 93%. Load factor is how well you are filling your seats every day on average for the month. 93% is very positive, the airline industry average is 84% and Delta was 96% load factor. There is definitely a demand for the market and we're filling the seats, so that is very positive. Expect the same trend for the next few months. Beginning in October we should begin to see an increase in capacity.
- Met w/Jet Blue on their Marketing Plan for the New York market and they are going to implement the Daytona Marketing Plan probably in November. We are also working on the local Jet Blue Marketing plan as well.
- The staff has been working really hard to get ready and prepared for Jet Blue and w/the County doing the ground handling for Delta & Jet Blue it adds a whole other level of preparation and complication to the scenario.
- With air service development it's not just an airport function, it's a community function. Without the support of the community, travel bank, marketing and risk mitigation, you do not get a Jet Blue. It's absolutely critical that these folks were involved. The travel bank is something I've been working on since day one. We've implemented it and it seems to be working good. For Jet Blue to be successful, you've got to have the community behind it.

**Southeast Volusia Advertising Authority – No Report Given**

**West Volusia Tourism Advertising Authority – No Report Given**

**Destination Marketing Organization (DBACVB) – Tom Caradonio reported:**

- Refer to the HAAA Update in TDC Agenda Packet
- The Shriners Conference in Houston sold over 5,000 rooms and 8 hotels were sold out (2 years in advance of the conference).
- Group sales efforts are paying off.

**Old Business:**

Gallant: At the last meeting there was some discussion about a Lost Business Report. Is that something that can be done? Poor: Not sure that a decision was made on that, however we can provide one. Gallant: It's just a question of what business we're losing and why. Delpero: That will be ready for the next TDC Meeting.

**New Business:**

- Big John forgot about today's meeting.
- Lori Campbell Baker added a few additional comments to the CVB Report. Tom Caradonio is going on the Marc Bernier Show to talk about what it takes to bring meetings to this area. We also had some great coverage on the Ocean Center. There was a really good article recently on summer tourism and the bigger picture. We are partnering w/St. Augustine on a writer that represents both Conde Nast and US News and World Report – Mosaka Williamson. Visit Florida is picking up the airfare on this because we are partnering. We are looking at some additional opportunities to take full advantage of a way to partner and save some money as well. Tom and I and several folks from the area were at the Florida Governor's Conference on Tourism recently and they were talking about Air B&B. They said in 2015 Air B&B will be the largest hotelier on the planet. The question is, are the people who are using Air B&B paying bed tax or sales tax and in most areas the answer is no. There's a potential for really big lost revenue.
- Bob Davis sent out a bulletin to all of the hoteliers notifying them of a scam where people are sending illegal packages to hotels via advance reservation pick-up. The people go to the front desk, pick up their package(s) and they end up not staying at the hotel. Capt. Newcomb (DBPD) sent an e-mail to Bob saying that a hotel that was alerted to the scam had 21 packages of marijuana taken in.
- Sharon Hughes thanked Bob Davis for the notice – they did receive several packages and looked it up to make sure they did have reservations and fortunately they did. Her hotel is on high alert for the scam. Sharon also commended the Ocean Center for what we are doing with the advertising – so clean, modern and up-to date.
- Jason Davis complimented the Advertising Authorities for having people on the beach in their ads, he said he was very impressed.
- Lori Campbell-Baker added that her mother called to tell her the very same thing – very impressed w/the advertising. Also, just a reminder the DBACVB is hosting a Travel Writers Familiarization Tour, 10/3-7/15 and, once again, it will be a county-wide tour.

**Public Participation:** No Public Participation.

Meeting was adjourned at 9:45a. The tentative date for the next TDC Meeting will be Tuesday, 12/8/15 @ 9a.