

Tourist Development Council Board Meeting
Minutes – January 7, 2014
Ocean Center Meeting Room 102BC

Call to Order:

Chair Pat Northey called the meeting to order at 10:01am and introductions were made.

Board Members Present:

Pat Northey, Chair
Lori Campbell-Baker
Sharon T. Hughes
John Masiarczyk
Jason Reader
David Rijos
Kelly White

Board Members Absent:

Libby Gallant
One Vacancy

Approval of Minutes of October 29, 2013:

Motion to approve the Minutes was made by Lori Campbell Baker and seconded by John Masiarczyk.

Financial Report:

Natalia Eckroth, Volusia County Senior Accountant, reviewed the Quarterly Financial Report (for Donna DePeyster) through September 30, 2013 (refer to Agenda Packet). Resort Tax Revenue is up \$400K from last year. Total revenue is \$10.6M, operating expenditures \$4.7M, total non operating expenditures \$5.6M, which leaves an ending fund balance of \$4.2M.

Garage Report:

Jim Maniak, Ocean Center Finance Officer, reviewed the Parking Garage Report (refer to Agenda Packet) through September 30th. Total operating revenue was \$2.3M, it's a little short compared to the budget, however compared to the prior year we are only down about \$34K. We also showed an appropriation of fund balance to help us cover some of our expenditures, specifically the elevators in the garage. Temporary Personnel was over budget by \$131K, we had previously anticipated that we were going to get a command center installed so we could save approximately 20 hours per day in labor. Unfortunately that did not happen as scheduled. The command center has been delivered and we hope that within the next couple of months it will be up and running. There were also increases in security by about \$8K, also the elevator installation required additional staffing. Under Maint of Bldgs & Grounds we budgeted \$208K but only spent \$35K because some of the projects we budgeted for have not been completed. We did make a debt service payment. At the end of the last fiscal year we had outstanding \$8M in debt. Mr. Poor had reported at a previous meeting that the debt administration office for the county was looking at refinancing and refunding that. For the first year there will be a significant savings on our debt service costs of about \$450K. The previous interest rate on the debt was 5 1/8% and the new rate is 2.33%, which is 55% less. Northey: Could you explain what the Command Center is about and how it will save us money? Fish: It's an office that overlooks our busiest entrance and will house our supervisors, as well as the security cameras. They will be able to control all of the automated equipment from the center and voice over IP video conferencing. This should eliminate 20 hours per day in payroll. Baker: At what point is the Ocean Center paid off? Maniak: The original bond issue was paid off December 1st (2002 bond), now we just have the 2004 bond issue and that will be paid off in 2035.

Marketing and Sales Report:

Angela Cameron-Daniels, Ocean Center Marketing Director presented the Marketing and Sales Report. Members received a packet of information that includes a full marketing plan, a new brochure, articles from some of the meeting and convention magazines, editorial, a calendar and some reports that we have generated from our new booking software. Angela then proceeded to discuss the following:

- Mission Statement.
- Market Segments – Ocean Center is focusing on national and regional associations and the CVB is focusing on state associations.
- Continue to be strong in faith based market. Doing an island booth w/CVB and partners at RCMA. We each have our own booths but going in as a destination. We have a meeting planners dinner planned for the opening night.
- David Rijos requested the names and which segments the Ocean Center Sales Staff covered. Jennifer Coto - association market; Lori Hunter – SMERF market; Tim Buckley – sports & competitive arts and the new sales staff member will focus on third party planners and corporate business appropriate for our destination.

Marketing and Sales Report cont'd:

- Sales objectives – prospecting, trade shows, travel, focusing on those segments and doing what we can to tap into these planners and developing those relationships.
- Familiarization Tour scheduled for April 16-18. Like to have two destination FAMS a year, three max (per year) for a destination. We need to focus on destinations we can go to and do these dinners, receptions or individual site visits with the planners.
- Discussed rental revenue.
- Travel Schedule – no duplications with CVB. Scheduling sales appointments along with the tradeshow we are attending. The new Marketing Specialist will profile companies. We currently pay a company to do that for us now. Rijos: Would like to see more inclusiveness with our partners (Peabody, Daytona Lagoon, etc.) that could add value to planners. We started meeting in December (monthly) with our local partners so that everyone is on the same page when large groups are in town.
- Discussed generated leads coverage, upcoming planner events and professional organizations the Ocean Center belongs to.
- Highlighted Media Schedule.
- Goals for 2013-14.

Reader: How are we doing with the interview process for the new positions? Daniels: The positions are advertised in the Orlando Sentinel and Tampa. Northey: What's the timeline on that? Daniels: It's just finding the right person. Rijos: Can we do a report showing event days for 2014 and beyond for next meeting? White: Requested a marketing budget.

Ungerboeck Software Update

Steve Alverson, Ocean Center Information Services Analyst, presented the Ungerboeck Software Update. I've been overseeing the transition from paper & pencil booking to software based booking & event management software. Ungerboeck is quite involved and quite detailed. Since our last meeting we have received additional training for key staff members through web conferencing and we have also been working on funding to add additional users to the system and to provide additional training for all users and then funding to convert and transfer our past financial data into the system so we can produce reports that will help us analyze trends and identify and bring in new business in the future. Reader: Do we have the ability to produce a PACE report? Alverson: We're very close, we have the reporting module but until we get the financial data transferred into the system we really can't create a useable report. We've given Ungerboeck the information but I don't have a timetable as to when they are going to complete that conversion.

Ocean Center Status Report:

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

- We have always had a problem with the cell phone service in the facility. When I came here the approach was we had worked with some telephone companies to pay for a system that would increase the intensity of picking up that signal and carrying it without dropping it. We put a team together with IT, Purchasing, Legal, etc. and instead of paying for it we attached revenues and issued an RFP and we are going to Council to approve an agreement w/American Tower. This company will install a neutral host site whereby we may have 3-4 phone companies that will have antennas in the building and will produce revenue and will yield \$50K upon signing of the contract and approximately \$72K (or more) a year.
- We have also had a problem with our Wi-Fi service. Again, we put a team together (for Rejuvenate) and we increased from 12 megabits of Wi-Fi service to 200 megabits. With the Rejuvenate Conference we had 800 users on at the same time, we can accommodate 4,000.
- We're going to the County Council to give them an update of what we are doing with the HAAA Board funding.
- Beginning to work with Purchasing to develop a template for an RFP for an economic impact study that will go back to when the facility first open through January 2014.

Rijos: Has the process been worked out for the promotional fund to help assist organizations who are interested in the facility? Daniels: The criteria has been worked out and will be taken to Council for their approval. Rijos: Maybe there are some sister cities that we could visit to see how they are organized and run things.

Tourism Update:

Evelyn Fine, Mid Florida Marketing & Research, Inc. presented an overall review of what's happening with tourism in Volusia County (refer to report in Agenda Packet).

- Overall Volusia County Occupancy increased from 42% in 2012 to 45% in November 2013.

Tourism Update cont'd:

- Volusia County Average Daily Rate decreased from \$91.92 in November 2012 to \$88.12 in 2013. We want to encourage hotels to increase their rates at the same time occupancy is increasing.
- Volusia County Revenue per available room increased to \$39.50 in November 2013 from \$39.05 in November 2012.
- 2013 Year to Date average occupancy has grown over 1%, YTD Average Daily Rate has grown over 4%, and YTD REV PAR (revenue per available room) has grown over 1% since 2012.
- Thanksgiving and car events around the area were a contributing factor to the Occupancy and Average Daily Rate for the month of November 2013. There is not another destination in the world that people travel to for Thanksgiving – for Volusia County, Thanksgiving is a major event!!
- Every month when we look at occupancy and ADR, we track what happens during special events periods.
- We do an annual visitor profile which is broken down from month to month. We have a sample of properties throughout Volusia County that are segregated by size, amenities and properties that have brand names vs. those that don't. We call about 525 people per month to ask them a number of questions about their visit here (12 minute interview).
- Looking for a 3-4% REV PAR increase in 2014.

Update from Partners:

Hotel & Lodging Association – Bob Davis Reported:

- Upward bound projections for this year!! Going to do better than we did last year. We've got some great leadership.
- Great things happening between the three advertising agencies, the Ocean Center and the entire community.
- Free Wi-Fi is the number one deal with tourism.
- April 9th is when the Supreme Court will hear about the bed tax.

Destination Marketing Organization (DBACVB) – Shawn Abbatesa reported:

- Refer to DMO Report in TDC Agenda Packet.

Byron: What is your agency doing to promote the Half Marathon? Abbatesa: It's part of the Group Sales Dept. and I don't have direct knowledge of that. Northey: Can you get somebody to get with Dave about that? It's a very important event for the County.

Southeast Volusia Advertising Authority – Karl Watson reported:

- Refer to SVAA Report in TDC Agenda Packet.

West Volusia Tourism Advertising Authority – Renee Tallevast reported:

- Refer to WVTAA Report in TDC Agenda Packet.
- Cress Restaurant was featured on the Cooking Channel on Emeril Florida.

Old Business:

No old business.

New Business:

No new business.

Public Participation:

Big John comments:

- Great report from Evelyn!
- We really should get the Speedway involved with us. They could probably help us connect with big corporations to bring their conventions here.

Northey: We could ask the Speedway to give a presentation at our next meeting. I know that they want to go out and have conversations about what they are doing. And then maybe ask Keith Norden to talk about how that interaction happens. Byron: The Airport and the Economic Development division have now established regular meetings, frequently with the Speedway folks. Abbatesa: In the last two weeks HAAA has opened up lines of communication with the Speedway, they have some very prominent travel writers coming in for the Daytona 500 and we're doing a presentation to HAAA from the Speedway to cooperate with the travel writers. Secondly, our PR Firm and their PR Firm have just been put in touch with one another to collaborate on future announcements, not only for the Speedway but for the destination. Northey: Our next meeting date is March 11, 2014.

Meeting was adjourned at 11:29am.