

**Tourist Development Council Board Meeting
Minutes – March 10, 2015
Ocean Center Meeting Room 103ABC**

Call to Order:

Chair Jason Davis called the meeting to order at 9:05a and introduced himself as the new Chair of the TDC. He requested presentations be limited to fifteen minutes.

Board Members Present:

Jason Davis, Chair
Lori Campbell-Baker
Tom Clapsaddle
Libby Gallant
Costa Magoulas
John Masiarczyk
Jason Reader
Kelly White

Board Members Absent:

One Vacancy

Approval of Minutes of September 9, 2014:

Motion to accept the Minutes was made by John Masiarczyk and seconded by Kelly White.

Role of Tourist Development Council:

Charles Hargrove – Volusia County Deputy County Attorney gave the update.

The Tourist Development Council is established by Florida Statute and the County Ordinance, they mirror each other. The role of the Council is very limited; it is not a decision making board it's a board that makes recommendations pursuant to the statute. They recommend to the County Council effective measures for handling special projects. They are entitled to receive financial reports from the Finance Department and they continuously review the expenditures of the revenues from the Tourist Development Trust Fund. Expenditures which the TDC believe to be unauthorized are reported to the County Council and the Florida Department of Revenue. In the past, there have been certain requests made to the various departments of the County to develop reports. Technically, that would not be the direct role of the TDC. If there are reports that the TDC thinks should be generated that relate to the TDC revenue collections or expenditures then it's a recommendation that needs to be made by the council by a vote or a quorum. The TDC Chair would take that recommendation to the County Council and they would act upon it. To make requests directly to the departments to generate reports is something that would only be done by the County Manager because those are the employees of the County and not of this board. If a board member feels that there is an important issue they want to have addressed they should have a vote and get a quorum and then the Chair would be obligated to go and present that to the County Council.

Future TDC Meetings:

At the suggestion of Charles Hargrove, Chair Davis would like the TDC Board to meet quarterly. Motion to accept the decision to meet on a quarterly basis was made by John Masiarczyk and seconded by Tom Clapsaddle.

Financial Report:

Donna DePeyster, Volusia County Deputy Finance Director, reviewed the Quarterly Financial Reports through September 30, 2014 and December 31, 2014 (refer to Agenda Packet). The Tourist Development Tax came in at \$8.6M, which is significantly over the \$7.7M we had in the previous year. We are certainly ahead of where we expected to be for FY14. Most importantly is we have finally surpassed 2007 which, was the last year we had those kinds of revenues. These revenues were surpassed by a significant amount. We ended the FY with a fund balance of \$5.6M. \$2.6M is set aside in the sinking fund for future debt payments, and we ended the year with \$3.2M fund balance. We also refinanced the 2004 bonds used to complete renovations and build the new expansion to the facility, with an expected savings of over \$6M in interest. As we look at December 31st, we are off to a good start! Last year our Resort Tax Revenues were at \$1.4M and looking at January 2015 revenues, they are up by \$100K from last year. Year to date for December 31st, the ending fund balance is \$3.4M with money being set aside for debt service, leaving our fund balance for operations of \$3.1M. We have cut back significantly on the amount of planned money coming in from sales tax. The amount is closer to \$800-\$900K as opposed to the \$1.2M we have had in previous years. Looking forward in to FY15-16 we may be cutting back on the sales tax again that has been used to help the Ocean Center. This year we are also setting aside about \$285K for what we call a revenue stabilization fund (contingency fund for future capital projects for the Ocean Center).

Marketing and Sales Report:

Angela Cameron-Daniels, Ocean Center Marketing Director presented the Marketing and Sales Report (refer to Agenda Packet – Power point presentation available upon request).

- Review of Ocean Center Mission Statement.
- Introduction of Sales Department – Lori Hunter, Tim Buckley, Matt Dye and Roseann Delpero.
- Review of travel to date, proposals we have received, events we have hosted since last meeting, upcoming travel schedule, site visits and new events.
- New Ovations Food Services Chef John Schmitz.
- As of May 1st, Matt Dye (Sales Manager) with Ovations Food Services has been promoted to General Manager with Don Zimmerman's retirement.
- Roseann Delpero, Ocean Center Marketing Specialist, gave the Sales/Pace Report. 5% ahead in contracts and 33% down in revenue compared to last year at this same time. Angela explained that this is just a report from the booking software and not audited with Accounting. This is not additional revenues, strictly the contract rental and it's not audited in any way with the County numbers.
- Several Familiarization Tours are being planned.
- New creative for our print and online.
- 20,000 E-Blasts have been sent to meeting planners since January 1st. We've also done a direct mail with this piece.
- Recap of Ocean Center Media Plan.
- Volusia County Community Information is doing a great job with our Social Media, there is a dedicated person now that does it and our traffic is up.
- Introduction of Event Services Team – Brandy Rehrmann and Jen Adams and gave update of their accomplishments.

Magoulous: Do we do anything with the Canadian Market? Daniels: The Canadian Market is more on the leisure side and the only way we would go into market is if there were Canadian Meeting Planners, would have to do more research. Daniels: Visited the Shriner's in Tampa yesterday with the Daytona Beach Area CVB. CVB did a great job putting presentation together. Reader: Suggested looking at New York for targeting meeting planners with the arrival of Jet Blue in 2016. Byron: Refer to 14-15 site visits to date; one of the contacts was Frontier Communications. This is a very large employer in the DeLand area. We've been trying to reach out and connect the County's Economic Development Division with the Ocean Center and reach out to companies in Volusia County that are substantial. Davis: Questioned why there are no pictures of people in Ocean Center's promotional pictures? Daniels: Photo shoots typically don't use models in them because meeting planners want to look at the building not the models, they also become dated really quickly. Baker: Images and printed material are stunning – really nice job. Gallant: Are you concerned about the Ocean Center's pace in 2016? Daniels: Not worried, thinks 2016 will be fine. Baker: Pace Report is very helpful. Reader: Something helpful would be to reference where we were before, updated quarterly. Daniels: Originally, the promotional fund criteria was very strict and that has been changed, which has been very helpful.

Ocean Center Status Report:

Angela Cameron-Daniels, Ocean Center Marketing Director, reported that Don Poor is out on medical leave. The only thing to report, status wise, is that our Information Technology Department is still working on the repeaters for the Ocean Center.

Tourism Update:

Evelyn Fine, Mid Florida Marketing & Research, Inc. presented an overall review of what's happening with tourism in Volusia County. The January 2015 Occupancy & Average Daily Rate Report has been included in the Agenda Packet; November & December 2014 are available upon request.

- 9% increase in occupancy for January for all of Volusia County, an average daily rate increase of 3% and a revenue per available room increase of 13%.
- Evelyn then explained how they come up with these numbers. Every month all Volusia County hotels are sent a form and asked for number of room nights available for sale during that month, how many room nights were sold and gross revenue for just room nights. All of that information is added up and sliced and diced by various different sectors (i.e., geographic locations, property sizes, properties with certain amenities, etc.).
- Getting terrific cooperation from SE Volusia and West Volusia. Very healthy increases in average daily rate for all of the destinations. The best increase in January was for West Volusia and then best average daily rate was the Airport/Speedway District area.
- Evelyn reviewed her report for the new comers. Each sector group is two pages; the 1st graph is for occupancy, 2nd graph is average daily rate and the 3rd graph is revenue per available room (REV/PAR).

Tourism Update Cont'd:

- The quick way for hoteliers to figure out REV/PAR, is to take the average daily rate and multiply it by the occupancy and that will give you REV/PAR.
- The \$100-\$149 rate range is running the best occupancy. Very disappointing to see occupancy and properties offering a less than \$49 room rate. The hoteliers are leaving a lot of money on the table.
- The Rolex continues to grow! Doing a terrific job of bringing business to the area.
- At the back of the report is a list of all the properties that participate. There is a wide diversity of properties and size as well as locations.

J. Davis: What is the return rate on the surveys sent out? Fine: 90%. J. Davis: What about condo/timeshare rentals? Fine: Very good participation for those who typically rent by the night, however for the management companies or individual owners that rent for weeks at a time, we don't have much participation from them because we can't track them down. Reader: The Rolex continues to grow. It's just a great event, great time period. The date is moving next year, will wait to see what type of impact that will have. Fine: The Rolex attendees seem to spend a little bit more than the other race fans, they are here for a shorter period of time but they tend to be a totally different market. Big: Why is airport district left out of the report on the Rolex? Fine: Not enough properties responded to the request for information for that weekend. Bob Davis (Hotel & Lodging Association): Clarified several issues. The report is given to Evelyn Fine only and it's on the basis of a contract that is signed in confidentiality. Donna DePeyster and the County do an excellent job on the county bed tax collections. Big: We contracted with James Moore a while back to do a report on bed tax whereas those numbers are confidential it would seem to me there is something public about that report? Also as an addendum to that question, do we get a return from the Marina Grande? Bob Davis: The State Statute says that you can't give out the name of any of the reported. Depeyster: We had engaged James Moore to perform audits and they would report on each audit as they completed them. I do not have that information in front of me to know what they actually found. I believe they are engaged to continue on that same path to do a sampling of the area. Postcards were sent out within the last 2-3 weeks (especially new condos) to let them know that there's a requirement to collect the bed tax.

Update from Partners:

Hotel & Lodging Association – Bob Davis Reported:

- Wanted everyone to welcome the Bikers to Volusia County.

West Volusia Tourism Advertising Authority – Renee Tallevast reported:

- Refer to WVTAA Report in TDC Agenda Packet.

Southeast Volusia Advertising Authority – Carl Watson reported:

- Refer to SVAA Report in TDC Agenda Packet.

Destination Marketing Organization (DBACVB) – Tom Caradonio reported:

- Refer to the HAAA Update in TDC Agenda Packet

Donna DePeyster updated the group on James Moore. 40 audits have been completed by James Moore and they are going to compile a report that summarizes the results of those audits. I will probably be able to report on the results of their endeavors at the next meeting.

Old Business:

No old business.

New Business:

Hargrove: This is a follow up on Big John's earlier question regarding whether or not you can get information on a tax payer who has or has not filed tax returns. The answer to that is no, under Florida Statute 213.053 there is a taxpayer bill of rights and it includes an exemption under the public records law (119.07) where there will be no disclosure of any information about their returns including the fact about whether or not they have paid.

Baker: Celebrating National Tourism Week. On Friday, May 8th at the Ocean Center there will be a Tourism Industry Breakfast and Volusia County Resident Appreciation Tourism Showcase. Check in is at 7:30a; Breakfast is 8a-9:30a (w/Paul Phipps, Visit Florida as the guest speaker) and the Showcase is from 10a-2p.

Byron: We are launching the 2016 Daytona Beach Half Marathon that will be in partnership with the County of Volusia and the Daytona International Speedway. It will always be 2 weeks before the Daytona 500, we've pulled together a countywide coordinating committee and you will be hearing a lot about this race. Has the potential to become one of the premier countywide events in this community. It will include the course at the Daytona

New Business cont'd:

International Speedway, over the ISB Bridge, down to the beach and then back. There will be a relay component, a children's component and within a couple of years it will include an expo. The County has hired a race management company that knows how to put these events on.

Public Participation:

- Big John suggested the one thing we could do to speed up the meeting is to not poll the TDC Council on every item. Going to check on Charles Hargrove's comments. Big thinks we should take a long look at a small audit department for the bed tax.
- Chair Davis said that would be something for the County Council to look at and would discuss it to see if we are able to get it done or not.
- Based on a quorum, the next meeting will be Tuesday, June 9, 2015 at 9a.

Meeting was adjourned at 10:41a.