

GRAND JUNCTION VISITOR & CONVENTION BUREAU
BOARD OF DIRECTORS MEETING
July 14, 2009

PRESIDING: Paul Petersen, Chair

MEMBERS PRESENT: Brian Barry, John Williams, Donia Moore, Brunella Gualerzi

MEMBERS ABSENT: Deborah Hoefler, Nathan Knoll, Steve Meyer, Rick Martindale

STAFF PRESENT: Debbie Kovalik, Barbara Bowman, Jennifer Grossheim-Harris, Erin Chapman, Layne Whyman, Melanie Wiseman, David Schwenke, Irene Carlow

GUESTS: Chuck Chapman, Angelica Garcia, Rex Tippetts, Amy Jordan

HOST REMARKS: Chuck Chapman welcomed the Board to Country Inns of America. Remodeling work continues: the courtyard water feature is completed; the breakfast room is in process; and carpet has been ordered. Country Inns will be part of the Grand Junction delegation to the National Tour Association Annual Convention in November.

GRAND JUNCTION REGIONAL AIRPORT: Rex Tippetts presented the Board with a photograph of American Airlines' inaugural flight as a token of appreciation for the VCB's efforts with securing and marketing this important air service. The partnership formed between the Airport and the VCB 1 ½ years ago has been very successful. This type of partnership is unheard of, and Grand Junction is now the "poster child" for what American Airlines wants to see from communities they serve. American experienced record enplanements in June and, over the last 6 months, Grand Junction was the highest boarding feeder to the Dallas-Ft. Worth hub. The next Airport-VCB joint activity is a presentation to the American Airlines Vacations agents in Tulsa, August 4-6.

The meeting was called to order at 3:17 pm.

RECOGNITION: Barbara Bowman recognized David Schwenke, whose summer internship is nearly complete, and described the variety of projects he has assisted with. David thanked the Board and staff for giving him the opportunity to be part of the VCB. He has learned a great deal and it has been an enjoyable experience.

MINUTES OF JUNE 9, 2009: Donia Moore moved to approve the minutes as written, Brian Barry seconded, approved unanimously.

BOARD DISCUSSION ITEMS: Special Events Downtown Car Show Jennifer Grossheim-Harris discussed the application and request for \$1,500. The number of out-of-area participants continues to increase, and each one averages 3 days of lodging and meals. The request is for print and radio advertising in Moab/eastern Utah as well as Glenwood

Springs and Rifle. The committee recommends the full award of \$1,500. Donia Moore moved to award \$1,500 in Special Events marketing assistance to the Downtown Car Show, Brian Barry seconded, passed unanimously.

Western Slope Concert Series - \$10,000 request The applicant requests marketing assistance for local print and radio to promote a series of five concerts (two at the Avalon, three at the Lutheran Church). No firm information is given regarding specific concerts, performance, nor past attendance. Donia Moore stated that, historically, rooms booked are for the performers; attendees are mostly local, these concerts do not pull overnight guests from out of town. The committee recommends requesting the applicant provide additional specific information before the August Board meeting: (1) previous years' ticket sales per concert; (2) zip codes from applicant's mail list; (3) methods used to track out-of-town attendees. The discussion is tabled to August 11.

Budget Planning Debbie Kovalik said that the next 6 months will be a period of uncertainty concerning the revenue stream for the City's general fund as well as for lodging tax. Two Rivers is OK now through the end of the year, but projections indicate 2010 could be a difficult year. The City Manager's direction is to keep the employee base intact; there will be no new hires and vacancies will be backfilled with existing employees. Every division of every department is conducting a staff capacity study and employees will be transferred from divisions with excess capacity to areas that need additional staff. The VCB does not have excess capacity.

Lodging tax revenue through June is down 11.6%. Staff projects that year-end receipts will be down 15%; operating expenses need to be reduced the same percentage. Potential budget savings were identified in February and expenditures put on hold when revenues began declining. The VCB typically under-spends the budget by 3%-5% (approximately \$100,000 for 2009), so an additional 10%-12% (\$275,000) in savings will need to be achieved. The Director asked the Board to discuss and provide direction on marketing programs, instead of budget line items, and the staff will bring recommendations to the August Board meeting.

The Board discussion included the following comments:

- OK to cut 15% from Special Events
- Look at life cycles of programs/activities; e.g., print advertising has less return than the Internet
- Reduce expenses in the capital, training, research, and banner budget areas
- Internet
 - Would be a mistake to fall behind, but could be decreased slightly to a reasonable amount without negative impact
 - Internet-based information for travelers is highest use
 - Don't undermine ourselves; look at more traditional marketing for cuts
- Look at budget surgically; if expenditures can be justified, leave in and spend
- Remain flexible while continuing to spend money on effective programs
- Consider sending 1 person instead of 2 on sales trips (trade shows) where it makes sense

- Wrong time to cut marketing and advertising; need to maintain our market share

STAFF REPORTS: Copies of reports were distributed.

Barb Bowman reported that 14 of our partners will participate in the Denver sales mission and reception August 17-20. Board members are invited to attend the reception (August 20); please confirm to Barb so she can secure hotel rooms.

There being no further business, the meeting was adjourned at 5:05 pm.