

TA BOD Agenda
March 8, 2018
Crested Butte Chamber
Call-in: (641) 715-3580; 835905#



Directors in Attendance: Kurt Giesselman, Tyler Newman, Scott Clarkson, Ryan Johnson, Jennifer Barvitski, Gary Pierson, Wynn Williams

Staff: John Norton, Laurel Runcie, Daniel Kreykes, Jeff Moffett, Andrew Sandstrom

On Phone: None

Public: None

Start 7:41AM

Approval of February Minutes-Any additions corrections or deletions to the February minutes. Kurt hears none, Kurt asks for motion to approve. Gary motions to approve. Tyler Newman seconds the motion. Minutes approved unanimously.

Public's Comments

No public present.

Budget Review

Balance Sheet

Contingency and reserve fully funded and creating interest. Working capital account balance is solid. Our final winter CBMR payment which will be deposited into a third bank so that we stay under the FDIC limits. Jennifer, can you be the second signer on the account with Kurt? Jennifer agrees.

Budget Actual Variance

Income under budget due to timing of checks.

Digital media is different because Gunnison Getaway promotion was reduced early in the season to hopefully do more when snow picked up. Obviously, this hasn't happened.

Buttery filming and billing timing is different than originally planned.

Travel we will likely go through all of this with the TGR coming in for filming.

Timing for GoMaps is off, will catch up in payments soon.

All of these variances were with the old budget. We are working on the new working budget and forecast.

Revised 2018 Budget

Electronic budget has comments detailing income and spending.

Starting balance in working capital account is 100k less than EOY balance sheet total because we paid a TGR bill that was dated in 2018 but paid in 2017. We assume that the auditor will be move that over to next year. Low point in the year as always is August. We will be down to \$45 in August. That being said, we have contingency and reserve fully funded and we can tap those with a board vote, if needed.

Full Annual Expense Summary

Added two new classes, Economic Development and STOR. We didn't add a Western Bucket because much of it falls very well with our current marketing campaigns. We will be keeping track of this, but it won't be a separate bucket. We are including Western on many of our videos etc. We can develop a report for Western spending.

68k for STOR moved over from signage projects that were already in place through the CPW matching grant program.

45k for COOP programs that could be used towards STOR projects. Have had two requests so far that were STOR requests. We don't want to have a bunch of one off requests. How do we do it all at once. There is currently a large Grant request into the National Forest Foundation. If this comes through, STOR will be set. The STOR committee is very large and because it is so big, it might be a little clunky. At the last meeting, Signal Peak was brought up and there was a lot of pushback from the wildlife community saying that trails are for up valley, not in Gunnison. Waited to hear someone from the south to speak up, but nobody did. In order to fill the lodges, there needs to be support of Western and a product. How can we get the community to rally support around projects like Signal?

ED has about 18k in there.

Outdoor Retailer attendance and building a website partnering with ICELAB are the main projects. GCBeconomicdevelopment.com it will be a parallel site to ours. We have hired Trevor Main for the site. Then our team, ICELab and the county are working together to develop this site. Hoping to have it launched by May 1st. Most of the rest of funding is coming from county, towns, and grants. If we have an amazing opportunity, we can tap our contingency fund. We are also tracking all of our staff hours on these extra responsibilities. Staff time is not budgeted, but we will be tracking it to report back to BOCC. We are only after opportunities that are in our wheelhouse. We are not doing traditional economic development, we are only working with folks that we already have a relationship with. We will also be sending letters off to CEO's that we might have a chance with. Most of this is falling on the ICELab. ICELAB is

focused on incubating current companies and making them bigger. We are after new businesses which is much harder.

PR

We received less from the LMD than we anticipated by 48K. With our additional responsibilities we struggled to fund everything that we wanted to. We kept PR because the ROI is the best. There might be a little bit of moving within the column of PR based on FAMs being the most important. There could be an opportunity to go back to the county mid-year and ask for more on a specific project. The LMD reserve continues to grow when they are not issuing the whole amount. Definitely could be a big spend on PR if we get the conference pre outerbike.

Grant Funding COOP class

We pulled all of the amounts that we have in the past used to support projects. The plan is to put this money up for the grant cycle. If we get grant applications that support our missions and are a better spend than we can, we will award up to about 40k. We will look at the grant requests and weigh it against what we would otherwise do with the money. If there isn't a good grant ask, we may spend 0.

There is a new bit of money that we are spending on fishing in spring and fall.

We have the audit coming up at the end of the month. All staff and board members will receive a confidentiality agreement and conflict of interest policy. We need these to be signed and returned. We need to know boards, businesses, etc that you are involved with.

We used to do a mid-cycle reforecast in June. Per Laurel's recommendations, we have tried to align a 1st quarter true up since the June one seemed after the fact, we already knew our spends by June.

Gary Pierson starts a motion to approve the amended 2018 budget. Wynn seconds. The amended 2018 budget is approved unanimously.

Lodging Meeting Recap

Something interesting that came up was the suggestion that "what can you do for yourself" IE signal, complete streets etc.

When we brought up raising rates, there was a suggestion from the chain hotels that if guests give bad reviews for their rates, the chain can fine them for the bad reviews.

50 rooms \$20 per room for the 45 days that are busy=\$45,000 extra profit. What would the fine be? If you are full, it shouldn't matter what other hotels are charging.

How do we get over the misconception that CBMR's success doesn't help the whole Valley?

Air Update

Winter passenger count: flat. Seats up 7% because of Denver increases through the spring.
Load factor down 5 points.

American will have a shortfall 1.2-1.3 Million, cap was 300k. How much will American raise the cap next year?

Air travelers are less sensitive to snow. January Passengers up 24% and county wide occupancy down 12%.

Local outbound for spring sold 31 tickets. About 43 Local fares PIN codes used. Fares seem to be good this year.

Summer

United has 2 daily flights June 9 – October 3rd from Denver.

Eagle stopped Houston summer flight.

Takeaways for the TA.

We went after the January passengers in Denver and succeeded in a bad snow year. In part because of this success, we got extended 2x daily out of Denver in summer and fall. Future goal would be to get 2 daily flights year-round and 3 during winter. Denver has two benefits, one no guarantee, two that it makes sense to connect to anywhere. The third flight would take away the connection issues.

Multi-Year Results: New vs Old TA

We are doing great.

LMD collections for Old TA went up for 2014 but remained pretty flat at around 1 million bucks for years. In three years, we have nearly doubled that to 2 million. CBMR has seen a distinctive shift in Denver, it is #1 this year over Dallas.

TA BOD Schedule and Purpose Discussion

By having monthly meetings, we create a situation where we deal with monthly events. We move to an operational board instead of a strategic board. When we get out of our minutia problem solving, we have some tremendous strategic ideas. Kurt is proposing the following structure. Once per quarter an informational meeting from staff, air, CBMR, Western.

Dramatically less of a round table conversation and more of a clarification of facts. Extra meetings would be special meetings. Grant Cycle for instance. A Grant Committee makes a motion and recommends to the board, but the board needs to take a vote. Budget, overall strategy, grant are dialogue meetings that should be separate from the quarterly ones. The dialogue meetings are more specified to a topic.

4 quarterly meetings

May strategy over 2 sessions

March reforecast
September Budget
Grant cycle meeting x 2

Kurt makes a motion that the staff prepare an amendment to the bylaws that will mirror this proposed meeting schedule. This will be sent to the board by email to be approved.
Ryan seconds the motion. All in favor, none are opposed.

Grant Cycle Discussion

There are a few changes that need to happen for board approval of the grants. Applications due April 2nd. Then the scheduled board meeting on April 5th we will decide on grants. Awards will be announced the week of April 15th. Contact should be a board member. Wynn will be the board member in charge of the grants. Submission will be accepted via email or mail. We will send a confirmation of receipt of the application. April 3rd, a staff meeting with Wynn will go over the applications. Partnership agreement will be created to hold parties accountable to reporting etc. Sharing the top, low and median score with applicants. Kurt also suggested a cutoff for those that under this didn't get funded. Are we asking for a "skin in the game" cutoff? Does the applicant have to put up a certain percent on it?

PR Report

Ad value down slightly 2017 vs 2018 but reach and unique page views per month both up. There was a great write-up on the mountain biking on PinkBike. Purple Orange press trip has a good lineup of journalists. Looking into some great opportunities for the summer as well.

GDPR Discussion

EU privacy regulations. General Data Privacy Regulation. Applies to any companies that hold data of anyone living in the EU. We are bringing it up with local partners, vendors, and auditor. The regulation goes into effect on May 25th. We plan to adopt a policy to stay in compliance.

Kurt moves to adjourn the meeting.

Wynn seconds.

Close: 9:46 AM