

**VCB Board of Director's Meeting Minutes
The Lodge at Ponte Vedra
October 7, 2009 – 1:30 p.m.**

Present: Charles Cox, Kathy Fleming, John Fraser, Irving Kass, David Mariotti, Bob O'Neill, Mark Schwantner, Virginia Whetstone

Absent: Tina Puckett,

Staff Present: Barbara Golden, Lori Driscoll, Jay Humphreys, Evelyn Vazquez

Others: John Johnson, Commissioner Ron Sanchez

Meeting called to order by Charles Cox.

Election of Officers:

Chairman: Mark Schwantner made a motion to elect Charles Cox as Chairman of the VCB Board of Directors. Motion was seconded by John Fraser. **Discussion:** It was noted that according to the Bylaws, the Chairman can serve two consecutive terms. **Approved unanimously.**

Vice Chairman: Charles Cox made a motion to elect John Fraser as Vice-Chairman of the VCB Board of Directors. Motion was seconded by David Mariotti. **Approved unanimously.**

Secretary: Charles Cox made a motion to elect Mark Schwantner as Secretary of the VCB Board of Directors. David Mariotti seconded the motion. **Approved Unanimously.**

Treasurer: Charles Cox made a motion to elect Bob O'Neil as Treasurer of the VCB Board of Directors. David Mariotti seconded the motion. **Approved Unanimously.**

Designation of Public Official seats.

Chairman Cox requested that staff send letters to city of St. Augustine, St. Augustine Beach and The St. Johns County Board of County Commissioners to request a designee for the VCB Board of Directors. It was discussed that, to avoid Sunshine Law violations, public officials serving on the Tourist Development Council cannot also serve on the VCB Board of Directors.

Board Member Terms of Office: Charles Cox advised the Board that according to the VCB bylaws affecting the new sitting board, terms of office needed to be reassigned. There was discussion about the three seats assigned to each of the one year, two year and three year terms. It was recommended that the terms be designated as:

One Year: Tina Puckett, Irving Kass and Mark Schwantner

Two Years: Charles Cox, Bob O'Neill, and Kathy Fleming

Three Years: John Fraser, David Mariotti and Virginia Whetstone

Chairman Cox asked staff to organize the recommendations from the board for a motion and approval later on the agenda.

Approval of Minutes: Bob O'Neill made a motion to approve the minutes from VCB Board of Directors meetings held on September 2, 8 and 26, 2009, as presented. Motion was seconded by John Fraser. Approved unanimously.

Executive Committee Report: Charles Cox welcomed the new Board members and congratulated all on officer appointments. Staff had provided reports in the Board packet and would not be providing presentations. Mr. Cox announced to the Board that the St. Johns County Board of County Commissioners had approved the VCB Board Chairman as the Interim Acting Executive Director of the VCB.

Partnership Applications:

Because the Executive Board did not meet, the partnership applications were presented for approval by the entire Board. Five Partnership Applications were presented.

Kathy Fleming made a motion to accept the applicants, Northeast Florida Marlin Association; Paradise Poochie; Holborn Gallery/Holborn Creative Media; City Walks LLC; and Sailing St. Augustine as VCB partners. Irving Kass seconded the motion. **Approved unanimously.**

Treasurer's Report: Bob O'Neill reported that due to the changes in the TDC delegation of the TDC CAT I to the VCB, a new accounting system should be reviewed and audited by an independent CPA. The reports to the VCB currently present information about what is collected and reported. The actual VCB operating budget is not clear. Treasurer O'Neill noted that the reports that were presented in the VCB package indicate what is collected by the TDC and what is actually in VCB accounts.

It was discussed that county staff manages the books for the VCB and TDC and that current expenses and contracts require existing bookkeeping procedures.

Until the new contract with the TDC is in affect and a new director is on staff, all bills and contracts are to be approved by Charles Cox, as acting director. It was also requested that Mr. Cox not sign any checks while acting as Interim Director. Signers on the VCB account include Irving Kass, Mark Schwantner, John Fraser and Bob O'Neil.

VCB Contract: The Executive Committee is reviewing a contract that is based on the contract between Visit Jacksonville and Duval County.

Charles Cox will provide a draft copy of the contract for review to all Board members via email. The contract is being reviewed by the county and the Board. The estimated time for processing the contract is 30 to 60 days.

Accounting: It was recommended that TDC Staff, Carrie Horn, continue to provide financial reports to the Board of Directors until the VCB has a new contract and an accounting process in place. It was suggested that under the new contract, that the VCB consider a bookkeeping service or dedicated staff person to maintain the VCB's bookkeeping. It was discussed that under the new contract, the VCB should be responsible for maintaining and reporting back to the county on its own accounting records, either by staff or a contracted accounting firm.

It was discussed that an independent audit of the VCB should be considered in order to create a base-line accounting system.

Review of VCB Contracted Services: Chairman Cox presented a list and description of current known service contracts that the VCB is committed to or due for renewal. Research Data Service and Travel Spike were noted as two in question. It was noted that none of the contracts presented had previously come before the board for approval. There was expressed concern about the \$440,000 Travel Spike Contract.

It was noted that most of the current contracts are with the St. Johns County VCB or St. Augustine, Ponte Vedra & The Beaches VCB. It was further discussed that in the future, from a legal standpoint, all contracts will be signed by the Executive Director and a Board officer.

Travel Spike services were discussed in further detail. Travel Spike reported that they were unaware the contract was ending. The CEO reported that weekly reports and presentations were delivered to VCB staff. Irving Kass presented a copy of the Travel Spike White paper, a SWAT Analysis of the VCB website and online marketing. The report rates the VCB website as an F. There are also some success stories with this service, including more than 25,000 Face Book Friends. However, no marketing or internet marketing strategies are in place to take advantage of this success.

Charles Cox reported that he discussed the particulars of some of the contracts with staff. The Board discussed the possibility of placing the questionable contracts on hold until a new director is in place. It was also noted that many existing contracted services could be combined to one vendor.

It was requested by Chairman Cox that the Board to take action to cancel the contracts with Research Data Service, VISIT FLORIDA Visa View, Travel Spike, Watauga Group.

The Board was informed that the St. Johns County TDC and the St. Johns County Board of Directors have approved that the VCB Board of Directors Chairman will act as the Executive Director of the VCB.

It was discussed that an audit is needed to compare the VCB's month-to-month and year-to-year budgets and that it should be determined that all future budgeting is accurate and true.

It was discussed that currently many of the VCB expenses are not processed through the VCB, but are charged directly to the TDC Category I.

Bob O'Neill made a motion that the board officially name Charles Cox, Chairman of the Board as the official Interim Managing Director. The motion was seconded by John Fraser. **Approved 5-0. (Charles Cox abstained from vote).**

Mark Schwantner left the meeting at this time due to a conflicting appointment.

Contract reviews:

It was reported by Chairman Cox that there were multiple research firms on contract with the VCB. Accommodations representatives on the Board, Mark Schwantner, Irving Kass and Bob O'Neill, reported that the Smith Travel Report was the report that lodging partners find to be most useful. It was recommended by Chairman Cox that Research Data Services be cancelled.

VISIT FLORIDA Visa View is used to track VISA expenditures of international travelers to our area. The service costs \$12,000 per year and reports on only 3% of our visitors.

Travel Spike services cost \$424,500 for website optimization, marketing and PR, etc., yet according to the website analysis there are fewer unique visitors to www.Getaway4Florida.com than last year. Web analysis reports indicate there are currently 11,000 unique visitors per month.

Book Direct (Jack Rabbit) –It was discussed that there is a need for a booking engine on the VCB website. It was recommended that a committee be formed to review and compare this engine with others to see if there is another service that would be more beneficial to all VCB partners.

Miles Media: It was noted that the costs of this service are very high compared to other web site services used by private industry and according to the White Paper presented by Travel Spike the VCB site has a very low rating. It was determined that Miles Media Services should be reevaluated.

Phase V: Staff is pleased with the service. They fulfill all advertising requests and mail out the VCB Vacation Planner. It was reported that Phase V has provided these services for at least 5 years. Phase V has a very good reputation state-wide. It was recommended that staff review what services Visit Jacksonville uses for fulfillment and report back.

The Watauga Group was presented as the media buying group out of Orlando that is on contract with the VCB. It was recommended that this service be eliminated.

Charles Cox recommended terminating contracts with Research Data Services, Travel Spike, VISIT FLORIDA Visa View, and Watauga Group.

John Fraser made a **motion to accept Mr. Cox's recommendations to terminate contractual services with Research Data Services, Travel Spike, Visit Florida Visa View, and Watauga Group and to evaluate the Book Direct Jack Rabbit Services pending further review of all Miles Media website services.** The motion was seconded by Bob O'Neill. **Approved 5 -0 (Charles Cox abstained).**

Terms of office

Charles Cox presented the previously discussed terms of service for the VCB Board of Directors Seats as the following:

One-year Terms: Tina Puckett, Irving Kass and Mark Schwantner

Two –year Terms: Charles Cox, Bob O'Neill, and Kathy Fleming

Three-year Terms: John Fraser, David Mariotti, and Virginia Whetstone

John Fraser made a motion to approve the Terms of the Board of Directors seat as presented. The motion was seconded by Kathy Fleming. Approved unanimously.

The recommendation for an audit was discussed. It was noted that the county has previously conducted an audit. There was a question about the ownership and rights of VCB/TDC allowable use and distribution. A request to evaluate 2 or 3 CPA firms within the county was suggested. Firms that have association auditing experience would be considered. It was further discussed that if an audit were to take place it needed to be discussed and determined what the scope of the audit would be.

The Board took a 15-minute recess.

Chairman Cox called the meeting back to order.

Irving Kass made a motion that the VCB form a committee to investigate the need for and scope of an audit of the VCB books. John Fraser seconded the motion. The audit scope was further discussed. The committee would include Bob O'Neill, Charles Cox and Virginia Whetstone. Irving Kass amended the motion to: Form a committee to write an RFP for an audit and obtain bids from three CPA firms and confer by phone the scope of the RFP with the board. The committee would be comprised of O'Neill, Charles Cox and Virginia Whetstone.

Approved unanimously.

Budget – Charles Cox presented the TDC Cat I budget as information only. Charles Cox requested that he work with staff to come up with a new understandable budget for the VCB and bring to the board for approval.

Irving Kass made a motion to have Charles Cox redefine the VCB Operating Budget to be a more accurate working budget moving into 2010. Motion was seconded by Bob O'Neill. Approved unanimously.

VCB Contract with St. Johns County

Charles Cox will provide a draft of the new VCB contract with the county to all Board members for review. It was noted that there is a financial reporting mechanism to the county included in the contract and the County is in the process of reviewing the proposed contract.

VCB Staff Location

It was noted that the VCB staff is currently located in the St. Johns County Administrative Building.

There was a motion made by Johns Fraser to direct Charles Cox to seek new office space and report by email to the board members for approval. Kathy Fleming seconded the motion. Approved unanimously.

New Director – There was a request by Chairman Cox for the Board and staff to discuss how to proceed with advertising the VCB Director position. Suggested outlets include announcements and networking with professional tourism marketing associations. Charles Cox will create a position description and email to all board members for review.

Dave Mariotti made a motion for the Board to establish an application review panel to review and prequalify applicants and make recommendations to the Board for the VCB Director position. The review panel would include Charles Cox, Irving Kass and John Fraser. The motion was seconded by John Fraser. Discussion: All applications will be submitted to Charles. The panel will review and the selected prequalified applications will be forwarded to the entire Board. **Approved unanimously.**

First Coast of Golf Contract. Chairman Cox presented the renewal of the First Coast of Golf contract for review. The amount of the contract is in the amount of \$162,901 to provide golf marketing services as part of a regional partnership. It was requested that Dave Reese be invited to the next Board Meeting for a presentation.

Travel Planner - Charles Cox presented the Travel Planner that is produced in-house, designed and written by staff. Staff is currently preparing the content of the 2010 version. There was a request to hire an individual on a commission basis to sell the advertising space in the 2010 Travel Planner. The recommended commission compensation structure would be based on a tier scale, 10% for advertising sales up to \$40k; 12% up to \$60k and 15% for sales over \$60K.

Bob O'Neill made a motion that the VCB hire an individual on a commission-only basis to sell the advertising in the 2010 Travel Planner. The motion was seconded by Kathy Fleming. Approved unanimously.

Virginia Whetstone requested to have some input in the content of the Travel Planner. Lori Driscoll will meet with Ms. Whetstone to review content.

Other Business:

St. Augustine, Ponte Vedra & The Beaches Visitors and Convention Bureau Board of Directors Meetings will take place on **the first Wednesday of every month.**

Updated ad samples to demonstrate the creative for the Fall advertising campaign from Chisano, the VCB current advertising agency were presented for Board review. It was requested that thought be given to the winter campaign - December, January, February & March. It was requested that Charles begin evaluating and preparing for an advertising agency reviews.

Meeting adjourned at 5:00 p.m.