



**Sioux Falls Convention & Visitors Bureau**  
**BID Board of Directors**  
**Minutes**  
**August 20, 2019**  
**Sioux Falls Convention & Visitors Bureau Board Room**

<b>Presiding:</b>	Sara McMahon, Vice-Chair Tom Morris, Chair	
<b>Voting Members Present:</b>	Jan Grunewaldt Paul Hegg Greg Jamison	Tracy Kolb Thea Miller Ryan
<b>Voting Members Absent:</b>	Scott Garrett	Usha Parmar
<b>Non-Voting Members Present:</b>	T.J. Nelson	Teri Schmidt
<b>Non-Voting Members Absent:</b>	Janet Brekke	
<b>Others Present:</b>	Alex LeBlanc Krista Orsack	Kathie Puthoff

Vice-Chair Sara McMahon called the meeting to order.

**Approval of Agenda**

Greg Jamison moved to approve the agenda. Second by Thea Miller Ryan. Unanimous approval.

As is required in the bylaws, there is a copy of today's handouts available on the back counter.

**Proposed 2019- 2020 Budget**

Teri distributed two industry related articles.  
(Tom Morris joined the meeting and assumed the Chair's duties.)

The BID Budget Summary and CVB/BID Budget Detail are provided for review today. Teri explained that the City recommended a budgeted BID income of \$2,110,000, however, based on history, we felt it necessary to budget \$1.9 million as BID revenue. Teri reminded that the City receives 1% of the BID Revenue for administrative costs.

(Tracy Kolb and T.J. Nelson joined the meeting.)

Director of Marketing Krista Orsack reviewed Digital Strategy expenses and the remaining Sales Development-Advertising expenses.

Teri reviewed Sales Development – Printing expenses.

Director of Sales Alex LeBlanc reviewed Sales Development – Bidding expenses. Thea Miller Ryan noted the absence of any funding for the Governor’s Hunt. Teri spoke with Steve Westra recently and noted the CVB has not been asked for any funding at this point.

Paul Hegg commented that with a projected revenue of \$1.9 million, the line item of \$50,000 for Bidding Investments seems pretty light. He further expressed concerns regarding being asked by the Convention Center to lower room rates to counter meeting space costs at the Sioux Falls Convention Center because they were told the CVB isn’t paying down costs. No other hotels present today had been approached regarding this matter.

Paul stated that there needs to be more of a relationship with hotel sales staff so they can better understand how the BID works so they can know how to offer and utilize the benefits of the BID. Teri noted that the CVB is often contacted by sales staff and that is how some of the bidding requests occur. Paul would like to see a continued effort to educate.

Teri asked if board members want to leave the \$50,000 Bidding Investment in that amount or would they like to see it changed. They agreed to leave it as is.

Greg Jamison asked about the 1% BID administrative fee that is paid to the City and asked if it could be given to the CVB instead. T.J. Nelson said he would see if that amount is necessary based on statutes.

Alex LeBlanc reviewed Sales Development – Travel.

Paul Hegg questioned the almost \$100,000 spent on travel and only \$50,000 on bidding investments. Teri reviewed the Washington DC Sales Blitz process per Paul’s request. Paul asked about the return on investment for the blitz and was told there was one booked piece of business with three tentatives thus far from the recent blitz. Teri said typically 1 booking pays for the trip.

Krista Orsack reviewed Tourism – Promo & Advertising.

Teri wrapped up the budget review noting the final balanced budget of \$1,925,700.

Paul Hegg requested that in the future it would be helpful to receive both the CVB and BID Budget detail sooner to allow more time to review.

Tom Morris asked for a motion to approve the proposed budget. Greg Jamison motioned to approve the budget as written. Second by Sara McMahan. Unanimous approval.

### **Other Business**

Teri Schmidt stated that the strategic plan is nearing completion. She pointed out that the CVB side of the budget shows a \$179,000 shortfall. This amount includes a list of items that will be needed for the rebranding. That budget will all come from the CVB side from reserves.

### **Adjournment**

Tom Morris adjourned the meeting.

Respectfully submitted:

\_\_\_\_\_  
Kathie Puthoff  
Name

\_\_\_\_\_  
August 20, 2019  
Date