

**REPORT TO THE JO DAVIESS COUNTY BOARD
CVB ADVISORY BOARD MEETING OF SEPT. 13, 2007**

CVB Advisory Board Members:

- | | |
|---|--|
| <input type="checkbox"/> Ikhlas, Ahmed | <input checked="" type="checkbox"/> Donna Marcotte |
| <input type="checkbox"/> Jamie Carroll | <input checked="" type="checkbox"/> Howard Raber |
| <input type="checkbox"/> Charles Fach | <input checked="" type="checkbox"/> Mary Sheahen |
| <input checked="" type="checkbox"/> Jesse Farlow | <input checked="" type="checkbox"/> Emily Stoddard |
| <input checked="" type="checkbox"/> Patricia Goldthorpe | <input type="checkbox"/> Sally Toepfer |
| <input checked="" type="checkbox"/> Peggy Harmston | <input checked="" type="checkbox"/> Carole Shutts |
| <input checked="" type="checkbox"/> Kelly-Train, Mary | |
| <input type="checkbox"/> Ken LeGrand | |
| <input type="checkbox"/> Annette McLane | |

CVB Staff:

- | | |
|---|---|
| <input type="checkbox"/> Mary Althof | <input checked="" type="checkbox"/> Betsy Eaton |
| <input type="checkbox"/> Melosa Belger | <input type="checkbox"/> Judy Gratton |
| <input checked="" type="checkbox"/> Elizabeth Bulasko | |

GUESTS:

Dan Reimer and Helen Schamberger

The Aug. 21, 2007, meeting minutes were approved, following a motion made by Mary Kelly-Train and seconded by Peggy Harmston. The motion carried by unanimous voice vote.

The reallocation of \$495 in FY07 Local Promotional Grant Funds from November/December to July/August/September/October was denied, following a motion made by Peggy Harmston and seconded by Mary Kelly-Train. The vote was 8 against, with Peg voting yes.

The reallocation of \$1,617.50 in FY07 Local Promotional Grant Funds from November/December to July/August/September/October was approved, following a motion

made by Patricia Goldthorpe and seconded by Mary Kelly-Train. The motion carried by unanimous voice vote.

The Local Promotional Grant Round #4 applications were approved, following a motion made by Patricia Goldthorpe and seconded by Howard Raber. The motion carried by unanimous voice vote.

The recommendation that Betsy Eaton take both of the CVB's 2008 draft budgets to the county board's Finance Committee meeting on Thursday, Sept. 27, was approved, following a motion made by Mary Sheahen and seconded by Jess Farlow. The motion carried by unanimous voice vote.

CALL TO ORDER

Chairperson Stoddard called the meeting to order at 8:09 a.m.

ROLL CALL

Roll call was answered with the following members present: Jess Farlow, Patricia Goldthorpe, Peggy Harmston, Mary Kelly-Train, Donna Marcotte, Howard Raber, Mary Sheahen, Carole Shutts and Emily Stoddard. Present: 9. The following members were absent: Ikhlas Ahmed, Jamie Carroll, Charles Fach, Ken LeGrand, Annette McLane and Sally Toepfer. Absent: 6.

CVB Staff present: Betsy Eaton and Elizabeth Bulasko.

ESTABLISHMENT OF QUORUM

A quorum was established at the time of roll call.

WELCOME AND INTRODUCTIONS

Emily Stoddard welcomed and thanked everyone for attending. All those present also introduced themselves for the benefit of new board member, Carole Shutts. Shutts is a part owner of Rocky Mountain Chocolate Factory in downtown Galena.

PUBLIC COMMENTS

There were no public comments at this time.

APPROVAL OF MINUTES OF THE AUG. 21, 2007, MEETING

The Aug. 21, 2007, meeting minutes were approved following a motion made by Jess Farlow and seconded by Donna Marcotte. The motion carried by unanimous voice vote.

DISCUSSION AND POSSIBLE ACTION OF REALLOCATION OF FY07 LOCAL PROMOTIONAL GRANT FUNDS

Betsy Eaton suggested that the board combine its discussion of this agenda item 7 with agenda item 8, "Presentation and recommendation of Local Promotional Grant Round #4 applications." She said the board would have to approve item 8 before it could approve item 7, which would be the reallocation of funds not used in the prior fiscal year. Melosa Belger, the CVB's event coordinator, had prepared two plans, A and B, with Plan A describing a reallocation of \$495 grant funds and Plan B describing the reallocation of \$1,617.50.

Since some of the event's elements are ineligible for reimbursement through a grant, there was much discussion regarding a grant application submitted by the Galena Lions Club for an Oktoberfest celebration to take place Oct. 13, 2007, on the Galena riverfront. First, one grant guideline is that the project cannot start before a grant application is submitted. However, Oktoberfest's development was well underway by the time the Lions applied for the grant. Melosa had also discussed other ineligible items with Mike Doyle, who'd submitted the application for the club, and the Lions did not want to do the work, such as putting CVB logo stickers on the event's rack cards or advertising in publications that are more than 50 miles from the destination to drive overnight stays, to comply with grant guidelines. The application also stated the event's demographics were tourists that would already be in town and that most of the lodging properties would already be full. The grant guidelines state that new events must be designed to generate overnight stays. The eligible elements included the event permit; tent, land and portapotty rentals; entertainment; and ads, if they were run more than 50 miles out or are run as a Galena Gazette IDEA ad.

Peg Harmston then made a motion to move \$495 from the November/December grant round period. Betsy Eaton pointed out that this would mean Oktoberfest would not be funded. Mary Kelly-Train then seconded Peg's motion. Betsy repeated that the motion would mean the denial of the Oktoberfest application. Peg said she didn't want to deny that application so much as she wanted to keep the funds in November/December. She then asked what happened to grant funds that weren't paid out. Dan Reimer said they would roll over into the next fiscal year's budget. Betsy Eaton added that they would roll over but not necessarily into the same line item. Emily Stoddard said they could be rolled over into that line item since the FY2008 budget was currently being worked on.

Emily Stoddard called for a voice vote on Peggy's motion. The vote was 8 against, with Peggy voting yes. Betsy said the next motion should be a vote on Plan B to reallocate \$1,617.50, which would allow funding for Oktoberfest. There was some discussion about how such a vote would be a positive move for the board, showing that the board was trying to work with the Lions on their event. Patricia Goldthorpe then made a motion to approve Plan B; Mary Kelly-Train seconded the motion. The motion carried by unanimous voice vote.

PRESENTATION AND RECOMMENDATION OF LOCAL PROMOTIONAL GRANT ROUND #4 APPLICATIONS

After the board discussed some of the individual grant round recommendations, Patricia Goldthorpe made a motion to approve all recommendations, according to Melosa Belger's Plan B, at 50 percent. Howard Raber seconded the motion, which carried by unanimous voice vote.

DISCUSSION AND RECOMMENDATION OF REVISED BY-LAWS DRAFT

Emily Stoddard asked the board members to read through the by-laws draft since they hadn't received it before the meeting. There was some discussion of the new board member election process, under Article III of the by-laws, whereby new members would be elected by the CVB's Basic Services members. Mary Sheahen suggested that Art. III be spelled out more clearly. Emily Stoddard said that could be accomplished by an amendment to the by-laws. Peg Harmston said any changes to the by-laws needed to be accomplished through changes to Chapter 13 of the Jo Daviess Ordinance Code. Dan Reimer agreed, noting the board needed to make a recommendation to the county board on the ordinance itself. There was also some discussion of the quorum needed at board meetings since the number of seats may change over time. The consensus was to accept the by-laws according to the draft and address any changes needed with amendments at a later date.

Patricia Goldthorpe then made a motion to accept the by-laws as written; Jess Farlow seconded the motion. Emily asked for discussion. There was none and the motion carried by unanimous voice vote.

Mary Kelly-Train then said the decision of the CVB Advisory Board's election committee regarding who would be eligible to be on the board was very important. There was some discussion of how the Jo Daviess County Health Department's board members are elected and whether the election committee could use the health department as a model. Dan Reimer said he didn't see why the advisory board couldn't use the health department as a model as long as they kept an eye on the legality of their actions and how they'd fit with Ch. 13. He recommended that the election committee members have a copy of Ch. 13 in front of them as they contemplated any by-law changes that would affect it. Emily recommended that the election committee meet in the next couple of weeks and that the agenda for the board's next meeting on Sept. 26 include a recommendation to the county board regarding amendments to Ch. 13.

DISCUSSION AND POSSIBLE ACTION ON CITY OF GALENA HOTEL/MOTEL TAX CONTRACT CONDITIONS

Emily Stoddard read the county board's motion from its Sept. 11 meeting regarding the contract with the city and said there was nothing for the CVB Advisory Board to do until it saw a contract from the city. Therefore, there was no action taken on this matter.

DISCUSSION AND POSSIBLE RECOMMENDATION OF FY08 BUDGET

There was considerable discussion regarding the FY08 budget. Betsy Eaton had prepared two versions of the budget, with the first one based on the CVB not receiving the city of Galena's hotel/motel tax and the new budget based on full funding. She said the second one was contingent on the county board accepting that tax from the city.

The ensuing discussion included the county's current 10 percent administrative fee taken from the hotel/motel tax and the fact that Jo Daviess County Board Chair Marv Schultz is working on reducing that fee. Marv is also trying to promote a grant program for the individual communities, which would be funded by part of the 10 percent now taken by the county. It was noted that the Galena city council's motion to pass its tax on to the county and enter into a contract with the county stipulated that the county cannot take its 10 percent fee out of the city's portion of tax. The services that the county provides to the CVB in exchange for its administrative fee were noted, such as information technology support, accounting/claims, insurance, payroll, support from the GIS department, public safety and legal services. The county board had given Betsy the amount of \$64,500 to plug into her budgets to represent the county's actual expenses incurred on behalf of the CVB.

Betsy Eaton further noted there are separate budgets in her documents for the CVB's different program areas and that the state had recently increased the amount of the CVB's LTCB grant. There was some discussion about the contract between the county and the city of Galena and whether the CVB's budget will be fully funded if it receives Galena's tax. There was more discussion about the terms of that contract and how important it is for the city to make it clear what it wants under those terms so that it can't come back in a year and say the county didn't meet certain goals.

There was also some discussion about the vacant Director of Sales position at the CVB and the fact that it can probably be filled now if the city's tax dollars come through. Mary Sheahan made the point that, since the position has been vacant since June and current CVB staff has been performing many of its functions, now would be a good time to review and reevaluate the position's responsibilities and salary. Some members discussed possible salary increases and bonuses for current CVB staff. Dan Reimer noted that the county is currently doing an across-the-board salary review.

There was further discussion about the fact that the CVB budget has operated in the deficit for the past few years and that cuts still need to be made even if the budget is fully funded for 2008. Betsy Eaton said that some shortfall has been pulled from unexpended salaries and from the building fund in the past. The contingency fund is also low because of all the repairs needed this past year at the Old Waterworks building where the CVB is housed. Dan Reimer suggested that the CVB may want to consider line item increases, such as to its maintenance line item, to pay for building repairs. There was a brief discussion about spending down the reserve fund, which Dan said has \$541,000 in it now. However, Betsy said that would be a last-minute decision, made when the ending cash balance is determined, and that she'd need to figure out the CVB's monthly expenses first.

There was some discussion about the 2008 Illinois Governor’s Conference on Tourism. Betsy Eaton said she’d discussed the conference with staff and they didn’t feel as though they all had to go. She still has \$5,000 in that line item but is looking at less costly workshops for staff.

Mary Sheahen then made a motion recommending that Betsy Eaton take both of the CVB’s 2008 draft budgets to the county board’s Finance Committee meeting on Thursday, Sept. 27; Jess Farlow seconded the motion. The motion carried by unanimous voice vote.

STAFF REPORTS

- a. Betsy Eaton reported the CVB’s Web stats. There were 29,866 unique visitors for August. The YTD unique visitors as of the end of August were 206,600, compared to the August 2006 YTD total of 166,452.
- b. YTD hotel/motel tax collection through July 2007 was reviewed; the county treasurer’s hotel/motel tax report was included in board packets. There was a 7.53 percent increase from fiscal YTD 2006 to fiscal YTD 2007. The increase is 2.67 percent over the YTD 2005 receipts through the month of July.
- c. Eaton also discussed the city of Galena’s YTD sales tax revenues through the end of June, which had been provided by City Administrator Mark Moran. Those show an increase of 24.75 percent over the June 2006 YTD total.

OTHER REPORTS

- a. Jo Daviess County: No report.
- b. City of Galena: No report.
- c. Other Jo Daviess County communities: No report.

OTHER BUSINESS

There was no other business at this time.

PUBLIC COMMENTS

There were no public comments at this time.

ADJOURN

Chairman Stoddard adjourned the meeting at 10:28 a.m.

NEXT CVB ADVISORY BOARD MEETING
8 A.M., WEDNESDAY, SEPT. 26, 2007
JO DAVIESS COUNTY COURTHOUSE
