

## PA Dutch CVB Board Meeting Minutes

The board met at the CVB on Thursday, December 9, from 12:00-2:00pm

### I. Consent Agenda

#### A. Attendance

1. Board Members Present: M. Rondinelli, C. Simmons, D. Stoltzfus, V. Kulina, J. Smucker, T. Baldrige, R. Stammel, S. Miller, C. Strite, C. Barrett, D. Stuckey, J. Garrabrandt, K. Molloy, B. Kidd, J. Buchter, R. Patterson, S. Bowser, M. Tennison, V. Bulik

Staff Members Present: J. Wall, M. Messina / K. May

Others Present: M. DiBonaventuro, D. Nikoloff, S. Holzbauer

2. Board Member Absent: C. Shellhammer

#### B. November 2010 Minutes

1. The board voted and approved the November board meeting minutes. They are now posted on the members' microsite within the CVB website.

#### C. December 2010 Membership Report

1. The CVB gained 9 new members, reinstated 0 members, and lost 0 members. The CVB now has 686 members and a total gained income of \$4,830.00.
2. The board voted and approved the December Membership Report.

#### D. Period 10 & 11 Finance Report and Variance Explanations

1. The CVB's cash balance continues to be strong (assets and reserves).

#### E. STR Report Trends and Yearend Forecast

1. Occupancy continues to be strong with November seeing a 12.4% increase over 2009. ADR was basically flat at \$85.68. Demand increased 10.6% and revenue was up 10.9%.
2. Our revenue forecast for the end of the year is \$124 - \$125 million in room revenue or about 9.7% above last year.

#### F. Recognition of Outgoing Board Members

1. The board honored Cathy Strite, Barry Kidd, Chris Shellhammer, Michelle Rondinelli, Jim Smucker, and Commissioner Dennis Stuckey for their service and thanked Board Chair Chuck Simmons for his leadership.

## II. 2011 Organizational Budget

### A. 2010 Budget Update

1. Even though state funding decreased by 41%, the board-approved fund balance transfer was not needed.
2. The CVB was able to increase media spending through revenue overages and expense controls.
3. The membership budget was exceeded by 3.4%.
4. Member media co-op participation was greater than anticipated.

### B. 2011 Budget Concerns

1. Concerns include an unreliable economy, unpredictable hotel tax, and diminishing state funds.

### C. 2011 Budget General Overview

1. Expenses are budgeted to increase in 2011.
2. The CVB continues to look to the *Map & Overnight Getaway Guide*, the *Group Tour Guide*, member dues, and media co-ops as steady revenue sources, but are predicated conservatively. The CVB requested adding the 2010 surplus funds to the 2011 budget as revenue.
  - a. A contingency plan will be developed to compensate for any drop-off in primary revenue categories.
3. The CVB does not recommend a member dues increase for 2011.
4. The CVB is not recommending any large scale initiatives in the budget, but is prepared to accomplish strategic objectives as well as member and organizational sustainability.
  - a. The board discussed how and where New Product Development fits into the budget. They discussed what New Product Development can/should look like in the next few years as well as the pros and cons of deficit spending for such a need.
    - i. Jim Smucker will put together an executive summary of the Lancaster County Tourism Development Council's findings. He will send it to Chris Barrett who will push it out to the board for review. The board should be prepared for discussion at the January board meeting and anticipate a final decision.
5. The CVB will provide a monthly forecast for board review and will operate based upon their counsel.
6. The board voted and approved the 2011 budget as presented.