

VISIT BIG SKY

April 23, 2020 Visit Big Sky Board of Directors Meeting Minutes

Call-in Via GoToMeeting.com

Call-In: Tim Drain, Julie Grimm-Lisk, Justin Bain, Dan Martin, Krista Traxler, Kirsten King, Ryan Kunz, Josh Treasure, and Ryan Hamilton

Absent: N/A

Staff Present: Candace Carr Strauss, Paige Desatoff, and Lori Wetzel

Public: Chris Torsleff – Stay Montana, Denise Wade and Andrea Saari – Big Sky Adventure & Tours, Stacie Mesuda – Big Sky Resort, Justa Adams – Sotheby’s International Realty, Carolyn Cole – Engel and Volkers/Lone Peak Concierge

Call to Order: 8:33 am

PUBLIC COMMENT

All public attendees introduced themselves to the Board. Public comment was then made by:

- Denise Wade and Andrea Saari who recommended creating a sub-committee under Visit Big Sky with businesses that offer Yellowstone Tours to work collaboratively to make Big Sky the Northwest Gateway Community to YNP.
- Stacie Mesuda provided a brief update on Big Sky Resort operations. They are fielding a lot of questions related to Season Passes. A communication will be sent out by end of week offering a Loyalty Discount to past Season Passholders for the upcoming 20/21 Season. The Early Season deadline to purchase 20/21 Season Passes has been extended and a Protection Assurance Plan is being offered to bolster consumer confidence. IKON announcement last week states sales were good.

ACTION ITEMS

Approval of Minutes

- The approval of March minutes was tabled until the May board meeting.

Approval of Financials

- A motion to approve the March financials was made by Ryan Kunz, with a second by Josh Treasure. With no further discussion, the motion passed unanimously.

NEW BUSINESS

VBS Board Operations & Administration

Nominating Committee – Appointment Recommendations/Vote*

- As a result of Krista Traxler’s change of employer announced last month, she has stepped down from her Board seat as a Yellowstone Club representative per VBS by-laws. Tim Drain made the motion to appoint Traxler to take the vacant Lone Mountain Land Company seat now vacant with Andy Wirth’s resignation. She will serve out the remainder of his term through FY20, June 30, 2020. Seconded by Kirsten King with no discussion, the motion passed unanimously.
- At present, 2 seats are unfilled on the VBS Board; those formerly held by the Yellowstone Club and Big Sky Resort. Strauss shared the VBS Board nomination process for prospective candidates seeking to fill a vacant seat which includes a letter of intent, resume, and a sit down meeting with Strauss and a member(s) of the VBS Nominating Committee to go over the VBS Board Roles & Responsibilities document, and the *Imagine Big Sky 2023* Tourism Master Plan, including mission, vision and strategic priorities. The Nominating Committee then discusses and makes candidate recommendations to the

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full VBS Board for vote. Drain stated that there is also a requirement that anyone seeking election to the VBS Board must attend at least one board meeting prior to being elected. The final voting is completed by the VBS DestiMetrics Lodging Partners who are classified as members of VBS per its 501(c)(6) nonprofit membership organization status.

- Strauss stated that Ryan Hamilton's term ends on June 30 with the close of FY20, and that he will not be seeking reelection to a new term.

FY21 Resort Tax Application Budget Approval

- The VBS Resort Tax FY21 Application seeks \$601,258 in funding for 4 programs including 1) TEAM Big Sky – People and Place \$154,558, 2) Promotion of the Destination \$401,200, 3) Develop and Steward the Destination \$14,500 and 4) Lead the Destination \$31,000 to coincide with the organization's *Imagine Big Sky 2023* Tourism Master Plan. A full detailed explanation was emailed out to the VBS Board on Tuesday, April 21. For the third year in a row, the application itself has changed and is an online submission. A print out of the completed application is 60+ pages and did not warrant printing. Overall organizational questions were asked along with detail on specific project funding requests, including populations served, impacts on annual operations, and KPI's being measured.
- Strauss shared that the Resort Tax FY21 Q&A/Allocation process will be held on the first three Wednesday's in June – 3rd, 10th and 17th from 5:30-8:30pm, most likely virtually.
- Drain mentioned that VBS has made adjustments to the FY21 Budget. Strauss stated that at the last VBS Marketing Committee meeting, the VBS website was reviewed in detail and had discussed the option of writing off the remaining depreciation expense to then move forward with developing a new one. In light of COVID-19, this will not be proposed. Instead, the original \$80,000 that was budgeted for a new website was partially moved into marketing, keeping \$15,000 for website development to improve the functionality of the existing site. Depreciation has been accelerated for FY21 so that hopefully next year at this time, a new one can be undertaken. Strauss mentioned that the forecasted Big Sky CVB projection was made prior to COVID-19, and VBS anticipates it will receive considerably less than projected, \$250,000 versus \$350,000, nearly a 30% decrease. This led to the increase in the request being made to Resort Tax for FY21 funding of \$601,000. Rent is the variable with a decision being required for tenancy to determine the final number. It is in the budget at \$4,500/month.
- The draft of the updated 2020 Official Visitor Guide will be sent to the Board shortly for edits although VBS is not planning to print the guides due to the cost of printing and distribution coupled with COVID-19 impacts on travel. VBS will update the digital version for download for the time being.
- Justin Bain motioned to approve the VBS Resort Tax FY21 Application and Budget with Drain as a second. With no further discussion, the motion passed unanimously.

VBS – Big Sky CVB FY21 Marketing Plan Budget Approval

- FY21 VBS Marketing Plans are due to the Tourism Advisory Council by COB Monday, May 4 with presentations to TAC most likely being done virtually on Monday, June 8.
- Tim Drain motioned to approve the Big Sky CVB FY21 Marketing Plan and Budget with Ryan Kunz as a second. With no further discussion, the motion passed unanimously.

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PROMOTE the Destination

Metric PPC Campaign – Spring 20 | Mar-Apr results coming soon – Increase budget

- Candace Strauss stated that VBS was being very intentional and respectful related to its marketing efforts and only serving up marketing messages to potential visitors actively searching for lodging in and around Big Sky. Strauss mentioned that per the first month-end report from Metric PPC, VBS is only addressing about 20% of the demand for specific keywords on Google with a budget capped at around \$4,000/month for the March-May/June campaign. There is money in the budget to increase the monthly expenditure. We will have more information month-end April to share with the Board.

Regional Tourism Recovery Sub-committee – Weekly Meetings Wednesdays @11 am

- Strauss participates on a weekly regional Economic Recovery and Resiliency call on Wednesdays at 10am. A regional Tourism subcommittee was formed and holds weekly meetings immediately following on Wednesdays at 11am led by Strauss. Anyone who would like to join the discussion is to email Strauss to be added to the meeting invite/materials distribution list.
- Ryan Kunz asked if there were any resources provided by the Gallatin City County Public Health Department regarding bar and restaurant phased reopening stipulations. Strauss mentioned that this was still being developed and the National Restaurant Association is also providing resources.
- Strauss shared that she will be sitting in on a call on Friday, April 24 with Gallatin and Madison County Public Health officials, both sets of county commissioners, and Resort Tax representatives to discuss Big Sky's unique situation in dealing with two sometimes different sets of public health restrictions due to the BSRAD straddling both counties. Madison County had decided to close down lodging properties at one point while Gallatin County had not. A number of Big Sky lodging entities have properties located in both counties so this was extremely problematic.

OLD BUSINESS

VBS Board Operations & Administration

May Board Meeting: VBS Board and Officer Elections

- Drain stated that VBS will be electing Board Officers and Directors to begin service beginning July 1, 2020 for FY21 at the May VBS Board meeting. Strauss shared that VBS will be sending an email related to board vacancy to its stakeholders and placing public notice in the newspapers in the next week or so per its by-laws.

LEAD the Destination

VBS Marketing Outlook VIRTUAL MEETING – Thurs. May 7th

- Due to COVID-19, VBS is unable to host this meeting at Horn & Cattle as originally planned, so this will now be a virtual event. Taylor Middleton, President and COO at Big Sky Resort, and Cam Sholly, Superintendent of Yellowstone, have both agreed to be guest speakers. As an aside, it was shared that BSR has hired a new Marketing Director, Yann Benjamin from Vail/Beavercreek.
- The retargeting campaign with Orange-142 has been paused due to summer visitation predictions with Governor Steve Bullock's mandated 14-day self-quarantine for anyone traveling to Montana from another state or country. The campaign was supposed to begin on May 1, however, Strauss has been in contact with Cliff Ward, Orange-142 to push that back. The campaign is flexible providing for both summer and winter messaging based on when Montana reopens to accepting visitors. With the

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shift to drive markets due to consumer / tourist sentiment studies, VBS is considering AAA proposals to target drive markets. National Parks Trip Media placements which generate monthly leads will continue and facilitate email marketing to this highly targeted consumer base.

- Drain and Strauss stated that both the May VBS Board Meeting and the Virtual Marketing Outlook meeting are open to the public.
- Strauss stated that VBS and the Big Sky Chamber's monies of around \$200,000 pledged back to Resort Tax are being reserved for a microgrant program that parallels the U.S. Chamber's program for small business grants since Big Sky's zipcode of 59716, is not economically disadvantaged, and therefore businesses located therein ineligible.

PROMOTE the Destination

COVID-19 Impacts: VBS Spring/Summer '20 Marketing Plans / Summer '19 HY Report

- Updates were already provided in previous discussions on Spring/Summer '20. A report into Summer '19 marketing efforts was provided to the full board for review.
 - a. **OVG Revision** – Completion to coincide with the VBS Marketing Outlook Meeting so watch for the draft on Friday, April 25 and promptly provide your recommended revisions to Emily Lessard.
 - b. **Orange 142** Summer '20 campaign was previously discussed.

STAFF REPORTS

CEO/Staff Report

- All topics had been discussed during the meeting, and no CEO or staff reports were necessary.

OTHER NON-AGENDA ITEMS

- N/A

EXECUTIVE SESSION

- At 9:42 am, Tim Drain made a motion to go into Executive Session, with a second by Kirsten King.
- At 10:17 am, Tim Drain made a motion to come out of Executive Session, with a second by Justin Bain.

ADJORN

- Tim Drain made a motion to adjourn, with a second by Krista Traxler. The motion was unanimous and the meeting adjourned at 10:17 am.