

RAPID CITY HOTEL
BUSINESS IMPROVEMENT DISTRICT

MINUTES FOR THE BOARD OF DIRECTORS MEETING

THURSDAY, November 15, 2018

11:00 a.m. – 12:00 p.m.

Best Western Ramkota Lincoln Room

PRESENT

ABSENT

VOTING MEMBERS

S. Hull
H. Christianson
G. Fawbush
L. Steffens
M. Gustafson

VOTING MEMBERS

C. Thompson
M. Lamphere

NON-VOTING LIAISONS

D. Drew
C. Johnson

NON-VOTING LIAISONS

Mayor Allender
J. Jensen

VRC STAFF: Carol Bancroft, Stacie Granum, Julie Jones Witcher, Samantha Linhart, Ally Formanek, and Tracy Manning-Egge

Call to Order

G. Fawbush called the BID Board meeting to order at 11:10 a.m. in the Best Western Ramkota Lincoln Room.

Approval of Agenda

H. Christianson made a motion to approve the agenda as submitted. S. Hull seconded motion. Motion carried.

Approval of Minutes

H. Christianson made a motion to approve the October minutes as submitted. L. Steffens seconded the motion. Motion carried.

Financial Statements

C. Bancroft reported cash on hand balance of \$528,286. The Board Restricted Reserves and CDARS remain constant at \$200,000 and \$126,713 respectively. The Board Unrestricted Reserves have increased due to interest accrual to \$1,214. Bancroft provided an update on October deposit activity. She stated there were no BID funds received from the City of Rapid City in the month of October; however the check was received in early November. The check totaled \$193,000. Bancroft reported \$15,100 of income has been received from VRC's partnership program.

Bancroft shared 83% of the calendar year is complete. Visit Rapid City has received 79.2% of income expected and expended 83.2%. She reminded the Board of the late October BID deposit as well as the Interim Budget expenses incurred totaling \$99,000 which were paid with overage revenue from the Interim Budget in the same amount. Bancroft reported BBB Tax income through August saw a 0.81% increase year over year and BID Tax income through September was at 0.5% year over year.

L. Steffens made a motion to approve the October Financial Statements as submitted. M. Gustafson seconded the motion. Motion carried.

Board Business

2019 Budget Update

G. Fawbush shared the 2019 budget has been approved by the BID Board, VRC Finance Committee, and VRC Board. Going forward, the VRC Finance Committee and BID Board will meet annually to continue relationship building. Bancroft reiterated the proposed BID account service fee has been removed.

President's Report

Marketing Update

S. Granum reported the focus of the peak and fall shoulder campaigns was brand awareness. Granum shared some challenges that Visit Rapid City encountered during the peak campaign such as a website malware attack and the implementation of GDPR. She reported these challenges did affect the overall results of the campaign. Outdoor Recreation and National Parks content performed the best throughout the peak campaign. Paid social saw a slight decline, while Trip Advisor and paid search had the highest return on investment. Granum shared influencer marketing provided great return on investment. The emailing marketing average open rate and Instagram engagement saw a year-over-year increase of 3.22% and 247% respectively. Overall website sessions saw an 18% decrease year-over-year partly to the website malware attack which occurred in May 2018.

Granum reported on the key takeaways from the fall shoulder campaign, which ran from July through September, including fall nature and National Parks content performing the best and digital vendors performing extremely well producing a high click-through-rate. She shared the leisure email marketing list size, Instagram engagement, and website sessions all saw an increase year-over-year of 65.29%, 74.55% and 11.04% respectively.

Granum shared the Amazing Rush Season 4 campaign began mid-September and has already produced 400+ applicants, resulting in 7 RFP's. Granum reported the Travel Professional campaign ran from July through September resulting in 139 qualified leads.

Granum reported on upcoming 2019 marketing tactics such as the new SDT Community Co-op, new creative concept, and focus on lower funnel levels (interest, decision, action) rather than brand awareness.

Sports Update

S. Linhart invited the Board to the LNI Red Carpet Welcome, as well as the LNI VIP Breakfast. The welcome will be held on December 11 at 4:00pm and the breakfast on December 13 at 7:30am. Both events will take place at the Rushmore Plaza Civic Center. Linhart encouraged Board members to create a corporate hand games team for the tournament on December 14.

Linhart shared Rocky Mountain National has officially signed their contract with RPCC for their Mount Rushmore Mayhem wrestling event in June 2019. Northland Hockey has also signed their contract with RPCC for May/June 2019. Linhart reported a sanctioned USA Figure Skating competition will be held in Rapid City over Presidents Day weekend 2019.

A discussion began regarding sponsorship funds being contingent on staying within Rapid City's Hotel BID district. Linhart shared once sponsorship funding has been approved, the event planner is made aware of the contingencies and funds are not dispersed until post-event. Christianson suggested a contract be drafted for event planners to sign regarding lodging in the BID district.

Partnership Program Update

A. Formanek introduced Tracy Manning-Egge, Visit Rapid City's new Partnership Sales Representative.

City Council Liaison Report

D. Drew encouraged the Board to support the Rapid City Rush in some way. The Board agreed to invite management of the Rush to a meeting to discuss ways Rapid City hotels can support the organization.

Drew reported 24 vision fund applications have been submitted, 2 of which are to assist OneHeart and Elevate Rapid City.

Drew shared a new archery center has opened at the Outdoor Campus West. She is working with the Rapid City Parks & Recreation Department on creating a deer archery season in Rapid City limits, as the processing of the animal is a large expense for the city.

Other Business

Christianson stated the Hotel BID Board has an opportunity to meet with the Governor of South Dakota, along with other Hotel BID Boards across South Dakota, to discuss upcoming legislation. Christianson agreed to update the Board with a time and date if it comes to fruition.

Adjournment

There being no further business to come before the Board, S. Hull moved to adjourn at 12:06 p.m. M. Gustafson seconded the motion. Motion carried. Meeting adjourned.

Respectfully submitted,
Ally Formanek, Manager of Finance & Operations
Visit Rapid City