

eXplore Lawrence
Board Minutes
May 20, 2020
Zoom meeting – 3:30 p.m.

Members Present: Mike Logan, Derek Felch (joined late), Rachel Black, Danny Caine, Mallory Gilliland (left at 3:56 p.m.), Hugh Carter*, Sally Zogry*, Stuart Boley*, Porter Arneill*

Members absent: Ivan Simac, Charlie Persinger
*ex-officio members

Staff: Michael Davidson, Kimberly Anspach (Zoom facilitator)

Guests: None

Meeting Materials Provided: Board of Directors Packet via email including the June-December marketing budget and Profit & Loss, January through April, 2020 as well as information from Michael Davidson regarding budget.

Meeting began at 3:30 p.m.

Rachel Chaired the meeting.

- Ground rules: Meeting is being recorded. State your name each time you speak

- Approve the April Minutes. Mallory moved; Danny seconded - approved.

- Finance Report
 - Mike Logan, nothing to report.
 - Board reviewed the Profit & Loss document.
 - Michael provided some further insights into the report regarding pandemic-related information on events.

- Board Discussion
 - The Executive Committee developed some questions for the board regarding budget decision-making.
 - Michael provided background information regarding anticipated travel trends as reopening unfolds over the course of the summer.
 - Emphasized that eXplore Lawrence is a marketing organization and needs to work toward marketing as people are eager to travel while also leery of travel. Regional travel will be the starting point.
 - Hugh pointed out that timing is key to maximize budget.
 - Michael agreed and said that they can track trending in the field to discern appropriate timing.

- Danny agreed and mentioned that the decision to open is also when businesses are ready.
- Rachel referenced marketing budget and pointed out that print might be a place to cut.
- Michael concurred and pointed out that there are some publications that they should be part of but that they haven't made a commitment yet.
- Mallory asked how we will monitor social media efforts without Meltwater.
- Michael, good question. May not have access with budget change. May not need it under the circumstances. There is a rub between marketing dollars and research spending.
- Hugh - the \$75K and \$100K digital stays the same. Curious about "opportunity." One is for a women's summit social media conference in the fall to possibly generate blogging but there is a delay.
- Sally – need to be nimble and adaptable. Can review analytics to discern and shifting.
- Mike – two benchmark dates: KU on campus activities determined in June. Big 12 fall athletic schedule by July 15. Board could take more time to glean this information by authorizing smaller amounts in the meantime. If there's an inventory of marketable events or fall destination opportunities, we can begin planning in that direction.
- Rachel – regarding messaging in the digital, outside of big event, what is the messaging?
- Michael – welcoming community and concerned about your health. Cleanliness is the new luxury. Free2BU campaign will be put on hold.
- Rachel asked about SEM. Has message been updated for ads now? Michael will check on status.
- Stuart mentioned how responsive our community has been regarding the Unified Command and keeping the surge flat. We demonstrate a high level of responsibility.
- Danny concurred. Many good and uplifting stories for some good marketing.
- Rachel – is this enough direction?
- Derek – per Mike, maybe best to pause until we have more information.
- Michael said they'll pause on marketing and come back in June with more information.
- **QUESTION - eXplore Lawrence receives the vast majority of our funding from Transient Guest Tax (TGT). What can we do proactively to assure that we get adequate funding for 2021 and beyond?**
- Hugh asked for industry insights.
- Michael said that TGT numbers are unknown. It may not really come back until late 2021 or even 2022.
- Sally – What happened with the EDA call today?
- Michael was on two calls, USA Travel and EDA and there's just not marketing dollars available through EDA at this point
- Derek – one idea offered in response to situation is to go to city and say we don't need third or fourth quarter payment to hold funds for next year.
- Stuart offered that the new City Manager hasn't submitted a budget yet. We don't know how he'll approach things yet. He has different ideas going forward including evaluating current fund structures. In addition to TGT, sales tax will also drop. Good to have constructive conversations on this.

- Hugh – difficult time and fluid. Beginning to hear some things but focus on fundraising toward tourism is still not a priority. May still be stimulus funding. Many very tough decisions. Need to get it right so we can recover as effectively as possible.
- Stuart – Douglas County may be in better shape than the city.
- Sally – Question of not knowing how long the impact will last and whether there will be funds available.
- Mike - asked about budget schedule and pointed out that regardless of the 2021 ask, the city may provide a reduced amount. He mentioned the importance of planning accordingly. The board might ask Michael to consider all possibilities for 2021.
- Derek – We're spending down the reserve fund one way or another. The offer is a good will option since others will also be seeking funding. Are we having any discussions about phase 2 planning?
- Discussion about the best approach. Michael asked that a small group be appointed to do some research and start developing some planning based on possible funding numbers.
- Derek asked if people are willing and able to help. Affirmative with reservations expressed related to time.
- **QUESTION: We have applied for an Economic Injury Disaster Loan (EIDL) which is currently being reviewed. This is a loan program, if we are approved how much would you be comfortable with us borrowing?**
- Discussion about board of director liability.
- Mike pointed out that there are different grants. Question about a city-related board taking on debt.
- Stuart asked if this has been discussed with City manager of Finance Director?
- Michael – not yet.
- Hugh – The nature of the organization and funding sources. Would need compelling reasons to take on debt. Maybe some other source through stimulus.
- Sally – asked Hugh if Chamber applied for stimulus loans?
- Hugh - Plan to at least go after any of the grant portions of the stimulus.
- Sally - Agree that a tax-funded organization taking on debt is risky. Still a lot of unknown. Being super conservative at this point seems best.
- Michael – from California – seeing a different fund model: Tourism Recover Fund. A time-limited improvement-district like fund to garner added revenues through hotel stays. Would need to talk to hotels before even considering. Frustrated that nothing from Washington is being distributed to tourism industry. There is a possibility that CVBs may get money from future stimulus.
- Hugh – from a high level perspective, the hospitality industry has been crushed by this. We're a niche, we're tourism/marketing. Until there's a vaccine, I don't know what coffers might open up. Timing will be a factor.
- Rachel – am I hearing that we should have a conversation about finance/budget before July?
- Hugh – maybe start with the subcommittee first to garner information for June meeting.
- Stuart asked if the eXplore Lawrence budget request had been submitted?

- Michael said yes, same amount as 2020. Need to start marketing as other places re-engage their marketing. Shouldn't go dark.
- Rachel said she agrees that we shouldn't go dark. Maybe meet earlier in June?
- Derek agreed to create a sub-committee. As Charlie pointed out, we need to be really wise.

Executive Director's Report

- Michael shared his screen with staff reports and what departments are working on.
- Sales – continue working with meeting planners. Beginning to loosen up a little for 2021.
 - E-card promotion, we'll get through this together.
 - Gift card to top meeting planners. Positive response.
 - Economic Calculator report
 - Kendra is holding direct meetings with key people
 - Meeting Max management – two or three groups using it currently
 - Working with SPL
 - Focus on sporting events – leads:
 - Reebok
 - Under Armor
- Marketing
 - Changed web site for current situation
 - Developing a messaging partnership effort with others
 - Community engagement – Kim
 - Continued zoom meeting including #RiseLawrence, Arts Roundtable, etc.
 - Engaging local businesses
 - Continue on Simpleview
 - Shift visitor services to current staff
- Visitor's Center
 - Developing re-opening plan – safety first
 - Limited hours per budget
- Budget
 - Continue evaluating

Derek moved, Danny seconded to adjourn the meeting – approved.

Adjourned meeting at 5:00 p.m.

Next meeting June 17 – 3:30 pm