

**Manitou Springs Chamber of Commerce, Visitors Bureau  
& Office of Economic Development (iManitou)**

**Board of Directors  
Meeting Minutes**

**June 7, 2012**

**Present:** Tim Haas, Ken Jaray, Marcy Morrison, David Symonds, John Webster

**Absent:** Jack Johns, Matt Carpenter

**Guests:** Julie Vance

**Staff:** Leslie Lewis, Roger Miller

A regular meeting (rescheduled from May 24, 2012) of the iManitou Board of Directors was held on Thursday, June 7, 2012 at the Garden of the Gods Trading Post. The meeting was called to order at 4:10 pm by President Tim Haas.

**A. Action Item: Board Opening**

Due to the resignation of Jay Rohrer there is an opening for a Director on the Board of Directors. A notice was sent to the membership; two applications were received. Sally Thurston, Blue Skies Inn, and Julie Vance, Americas Best Value Inn Villa Motel applied to fill the vacancy. Sally Thurston had applied for a previous vacancy on the Board and had been given the opportunity to speak with the Board at that time. A suggestion was made, and approved, that the agenda be rearranged so Julie Vance could be introduced to the Board of Directors.

Julie gave a brief account of her long history of growing up in the Manitou lodging properties that her parents owned. She began running the Americas Best Value Inn Villa Motel in 1999 but her parents bought the property in 1984. Julie expressed her desire to sit on the Board of Directors, representing the lodging industry, and has been a member of the marketing committee for approximately four years. She has two children in Manitou Springs High School and has an interest in the community as her home, not just the location of her business.

Marcy asked how Julie felt lodging is doing this year. Julie stated that lodging is down and while we have a lot of people visiting Manitou Springs, shopping and dining, they are not necessarily spending the night. Julie brought a company in several years ago that offered online booking services. Only a couple of properties took advantage of having that technology added. Julie welcomed the addition of the new properties such as Comfort Inn and Days Inn because it was adding some higher quality properties that make Manitou Springs more visible on search engines. Roger asked about fair ways to evaluate properties that are of concern. Julie stated she felt the only thing the Chamber could do would be to watch the number of complaints, pay more attention to those properties and see what clientele they are renting to. Properties that are renting on a monthly basis are not operating as a motel (short term stay) property and may not belong on the visitor center side of the membership.

Julie was thanked for her time and interest in serving on the Board of Directors. The Board then discussed both candidates and the strengths they would bring to the Board. Ballots were handed out to the Board members and votes were cast. Julie Vance will be added to the Board of Directors. Staff will contact both Julie and Sally. Sally will be sent a letter thanking her for her interest in serving on the Board and inviting her to be involved in other areas.

**B. Action Item: Approval of New and Renewing Members**

Staff received one new member application by Subway. Subway was the first “fast food” restaurant that qualified for American Heart Association Healthy Choice status. Ken made a motion to approve the New and Renewing Member applications. Dave seconded the motion and it passed.

**C. Action Item: Approval of April Meeting Minutes**

Having reviewed the Minutes, Dave made a motion to approve the April Meeting Minutes as presented. Marcy seconded the motion and it passed.

**D. Action Item: Approval of April Financials**

The May Financials were also provided to the Board. John asked that the Board skip the April Financials and look at May instead as we are into June. John met with Tim, Roger and Leslie yesterday to look at the financial position. There was concern at the end of that meeting that the budget will have a projected shortfall of \$80,000 for the year. Roger shared a spreadsheet he created that included the income from the wine festival as well as ad commitments for the manitousprings.org web site. Roger reported the EDC grant has been approved and the funding will be received in October. He is projecting \$4,000 in revenue from the iManitou.com banner sales instead of the \$19,000 originally projected. Roger explained that he increased the Office Income to \$4,000 to include sales of the Manitou Card which was not available when the budget was originally created. He is projecting a “dues increase” of \$1,100 based on conversations with businesses he has had regarding joining the membership.

Roger has discussed the Manitou Card with Ed Longfield, superintendent of School District 14, and the Athletic Director. They have committed to buying the Manitou Card in August and are going to sell the cards. They committed their \$12,000 budget to the cards. We will have to update the cards so that they will be adjusted to cover the school year. The projection for the High Altitude Happy Hour, Coffin Races, and the Ice Cream Social is to raise an additional \$19,400 in revenue. Roger is planning to approach the Cliff House Inn regarding sponsorship of the High Altitude Happy Hour. If Paul is not interested, Roger has several other businesses in mind that would probably want 15 minutes on the train to promote their business. Roger suggested with only 190 tickets available, Roger asked the Board members to each sell tickets to 10 couples. The High Altitude Happy Hour did sell out one year, when Kitty was the head of the EDC. Dave mentioned that the timing of the event creates a problem because people have to be at the station by 4 pm. Ken asked about serving the wine on the train. Dave suggested we look at having a cocktail party at the area that the Cog has the Santa Train stop instead of going to the top. Roger stated that he needs help from the Board to raise money to assist with the budget.

John asked that the Board come back to the broader budget discussion. Based on Roger's changes, the projected deficit would be \$68,736. These funds would need to be pulled from the reserves. This would be the third consecutive year that the Board would use funds from reserves to have a balanced budget at the end of the year.

When the Boards went through the consolidation process, the consolidation group approached the City Council and suggested that the consolidation would allow some efficiency and reduce the funding needed from the City. In 2008, the City funded the Chamber and the EDC to the amount of \$323,000 down to \$250,000 now. Prior funding years were discussed. According to the Audit, there has been approximately \$100,000 spent from the reserves between 2010 and 2011.

Dave pointed out that the Membership Investment is off by approximately \$22,000, and events are off by \$14,000. The reduction in membership investment is based on the \$100 credit per business in Manitou Springs combined with moving all members to a September renewal date. If a business usually renews their membership in March, the revenue will only reflect six months for instance. The Board discussed the possibility of not continuing the \$100 credit for Manitou businesses. One of the additional problems that no one anticipated was a number of businesses opting to only have the "free" basic membership and not paying for membership in the organization. Dave suggested that the basic membership needed to be reevaluated and redefined as to what should be included. He did not feel that the basic membership should include being listed in the printed pieces created by iManitou. The rough membership number is 270 but that number does include some reciprocal and trade memberships with other organizations.

In looking at the Special Event revenue, the numbers from the wine festival are not yet complete. We are waiting for some of the revenue, such as the Living Social sales and pay pal transfers from tickets. Some of the pay pal ticket sales are reflected because some of the money was deposited in April and May. The ticket sales were down some from 2011. It may be that the rain discouraged some people from attending if they had not pre-purchased tickets. Not all of the sales tax checks have been sent in yet so we cannot yet do the comparison of sales from the last couple of years.

Tim pointed out that while the dues do need to be discussed, that cannot help with 2012. He asked what other events could possibly add to the revenue stream and suggested that there are only a couple of areas in the expense side where changes can be made to impact this year.

In looking at Marketing expenses, what has been spent is \$109,143 and an additional commitment of \$26,440. That leaves between \$37,000 and \$40,000 that can be reduced in marketing efforts to reduce the budget. Not considered previously is the need to print rack cards as we are out of that piece. Ken asked if we cut \$32,000 from the Marketing Budget what impact he would see as a member. The Holiday campaign would probably be where the reduction would be seen. We can use social media to advertise Manitou but we would not run the commercials, have the downtown entertainment, or advertise in Denver papers for the holidays.

Ken asked about the mobile app and Roger stated that we could remove \$7,500 from that budget line and we would still have the mobile app. The proposal to change the website and include a mobile app was approximately \$14,000. There is an additional \$1,500 committed to PeakRadar but we have not seen a contract from them yet this year. Two years ago, the City gave us an additional \$1,500 for the PeakRadar contract. We renewed that last year; however, we don't see very strong results from that contract. We submit our events, at no charge, to the PeakRadar site. PeakRadar does feature some of our large events but that is a free service. Staff is not really sure what the benefit of paying that contract is. PeakRadar doesn't rank very high among the referral sites to our site.

Tim expressed concern about reducing the percentage of our budget that goes toward marketing but expressed the need to reduce expense and stop spending money that is not available. Marcy suggested that iManitou does need to talk with the City about an increase in the funding for the organization but also needs to show that we have reduced expenses at the same time. Ken asked if sales tax revenue has increased and Roger told him it has. Tim suggested that the conversation with the City regarding an increase would probably be best at budget time and the Board might have to live with the budget we have for 2012.

Dave asked if there had been any consideration of having volunteers run the Visitor Center on the weekend and not have paid staff in. Ken suggested if the payroll is 50% of the budget that is an area that also needs to be looked at for cuts.

In recap, Dave asked if we reduced the Marketing budget by \$25,000 and did not fill the weekend staff position but either use volunteers to staff the office or rotate staff to cover the hours, what that does for the budget. The board discussed not replacing the weekend would save approximately \$4,500. Ken suggested he wouldn't be comfortable asking the City for additional funding without having additional information on the City Budget.

Dave suggested that the Taste of Manitou should be added to the events to increase revenue. Ken and Tim both stated that one of the things that made the Taste of Manitou so successful were the relationships that that Kitty had that created the group that put together the event. Those relationships don't exist in iManitou. Marcy asked about bringing down an Economic Development specialist and paying his expenses to have him come down and give a presentation to the businesses. iManitou could charge businesses to come. Tim was concerned in the current climate, businesses may not be able to pay to come to that type of presentation.

John gave a recap that while these are good ideas, we need quick fixes. Options include going to the City and requesting additional funding, increase dues for next year, increase membership (which will take time), passing the hat at events, and the idea of creating a booster club has merit as well.

Tim brought up the email that he sent as a recap of the April 6 meeting and in it he stated that the 2012 budget was overly optimistic and he feels it has remained that way for two additional months. He suggested giving Roger and Leslie direction today and an opportunity to look at

things prior to the next meeting. Tim made a motion to reduce the marketing budget by \$25,000, not hire a weekend staff member but have the office covered by two people (for safety) which could be volunteers or rotating staff members and not take more than \$25,000 from retained earnings. At the next meeting, the Board can determine if there is a benefit to going to City Council this year or just put together a very thorough presentation for next year. Marcy seconded the motion. The motion carried.

#### **E. Request for Donation**

In the donation budget, there is \$1000. In previous years, iManitou has given \$250 to the fire department for fireworks. The board discussed the benefits of the fireworks as support for the community. Ken offered to give iManitou \$250 that can be given to the fire department for the fireworks donation. The Board thanked Ken for his generosity.

#### **F. Unscheduled Appearances**

There were a lot of good ideas regarding the High Altitude Happy Hour that will be explored, as well as Marcy's idea of a speaker for the benefit of the business community that we will move forward with for 2013. Marcy asked Roger for information on the situation with tents in the park that will have a major impact on events moving forward. Roger stated that there will be a meeting with Jack, Bruno, and Brad on Tuesday to discuss the Wine Festival. On Monday, Roger will be meeting with Jack privately and will discuss the retribution that iManitou has been seeing from Brad Walters. On Friday, while setting up for the Wine Festival, Brad approached staff and told them that we could not set up the tents or have vehicles in the park because the contract for the park was for Saturday, not Friday. Staff submitted an application, and the one day fee, to lease the park for Friday as well. The City is creating new rules that will make holding the Wine Festival almost impossible. Bruno had a contractor come give a bid on closing the driveway into the park. Following taking all of the deposits of groups that had events last August – September because of damage to the grass, there was a meeting and suggestions were made. The City has chosen not to make any of the changes that were suggested. The previous park application asked if there were going to be tents or vehicles with the event. The question was removed from the application. In the fine print, the application states that you cannot have tents or vehicles in the park without prior approval. We did not realize we needed to specifically mention tents or vehicles as we have had the event for nine or ten years and have always had the tents and vehicles. It has not been a problem prior to this year.

Roger expressed concern that staff is being pushed to do more and more and are being penalized for a situation they didn't create with the weekend staffing issues.

Tim offered to call Marc Snyder to set up a meeting to discuss ways to better work with the City and try to clear up the disconnect that seems to be happening currently. Marcy suggested it might be best to have Marc meet with the Board instead of just Tim. Staff will be left out of the meeting. Dave suggested Matt be included in the meeting as well.

Ken reminded the Board that there is a Community Potluck tomorrow at Venue 515. The meeting adjourned at 6:20 p.m.