

Rockford Area Convention & Visitors Bureau

February 27, 2008

Board of Directors Meeting Minutes

Board Present: Scott Sullivan, David Preece, John Ekberg, Janyce Fadden, Solomon Foley, Tim Dimke, Jan Herbert, Patrick OKeefe, Cyndie Hall, Einar Forsman, Patrick Curran, LaVonne Brown, Jim Ryan and Bob Burden.

Board Absent: Paul Sletten, Linda Heckert, Matthew Provenzano, Rena Cotsones, Patrick Ryan and John Chadwick.

Staff Present: John Giantonio, Amy Trimble, Theresa Sellers, Janet Jacobs and Wanda Figueroa.

Guest: Jim Millikin, Millikin Benning Klecker & Kobischka, LLC

Call to Order:

The meeting was called to order at 7:30 a.m. by Scott Sullivan, Board Secretary, who presided in the absence of Rena Cotsones, Chair and John Chadwick, Vice Chair.

Governance Process:

- **Minutes:** Motion was made by Janyce Fadden and seconded by Patrick OKeefe, to approve meeting Minutes of November 28, 2007 and Special Minutes of January 16, 2008. Minutes were approved as submitted.

Audit Committee Report – Jim Millikin:

An audit report was given to each Board member for Year Ended June 30, 2007 and 2006. Jim Millikin reported that the RACVB is in good position and based on Millikin Benning Klecker & Kobischka, LLC's audit, the RACVB has complied with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. New regulated audit standards will have to be followed beginning next year, which will affect the way the audit is approached. It will require training and more time to complete, but after next year any additional cost may be offset by not having to do audit work for an SBA grant.

Governance Process:

- **Internal Monitoring Reports:** This was the first review of monitoring report 1.0 – Global Ends. David Preece reported that the RACVB maintains this policy as a primary, high-profile goal within the organization which guides the allocation of resources, defines

strategy and directs implementation. The overall objective of tourism related economic growth is being achieved, with visitor spending up nearly 8%. Priority Results 1.1, 1.2 and 1.3 provide more details about how the Ends Policy is fulfilled. Janyce Fadden suggested more clearly calling out specific goals/performance in the Quarterly Reports for municipalities and other reporting documents. Motion was made by Einar Forsman to approve the following reports; seconded by Jim Ryan. Motion passed.

- 1.0 – Global Ends
- 2.3 – Financial Planning/Budgeting
- 2.4 – Financial Condition & Activities
- 2.5 – Asset Protection
- 2.6 – Emergency CEO Succession
- 2.7 – Compensation and Benefits

- Nominating Report: The Nominating Committee proposed that Solomon Foley become the new board Treasurer. Brent Brodeski who resigned from the Board will remain on the audit committee as a non-Board member and be a signatory on the RACVB account. Motion to accept nomination was made by Janyce Fadden and seconded by Tim Dimke. Motion passed.
- Board Survey by Bill Charney: The report should be completed by mid-March. Board members will be sent copies of the report, and action steps will be discussed at the April board meeting.
- Finance Report: Amy reported compliance on finance reports. The CVB ended the month of December with a zero balance in the line of credit. The audit report was presented to the Audit Committee on January 24th, the committee approved the report.

The Key Indicators chart shows that hotels are showing growth in recent months. Jim Ryan asked if there is a plan for reducing costs if the economy has a downturn. Amy responded that we have had experience in dealing with a shortfall as a result of the delayed SBA payments, and the cash reserve that is being set aside is intended for this kind of situation. It was pointed out that a slow economy can benefit tourism in Rockford because people may opt for nearby weekend trips rather than long ones. LaVonne Brown added that this was the case after 9/11, and the RACVB developed a campaign titled, "There's No Place Like Home".

CEO Report – David Preece:

Quarterly Report: David gave a quarterly report to the Planning & Development Committee (City) and Finance Committee (County) for the quarter ended December 31, 2007. The same report was given to the Board. The format will be modified to more clearly tie the report to the Ends Policies.

Stakeholder Communications: A report with highlights, events and tourism news will be sent to stakeholders through Patron Mail, probably monthly. David will be launching a monthly report that will improve communication with the Board. The report may contain confidential content for internal use only. David plans to email the report the first or second week of each month. Approximately twice each year, the RACVB will meet with the Rockford Register Star editorial board to discuss achievements, programs or other key topics.

Convention Center/Hotel Project Update: Working with the City of Rockford, the RACVB has commissioned C.H. Johnson Consulting to update their 2003 feasibility research. The revised report is based on more current assumptions and will include updated market conditions and demand, site and size recommendations, and preliminary financial projections that can be used in a deciding whether a convention center should be pursued at this time. RACVB's role in this project is consistent with Priority Results 1.1 – Create Economic Wealth and 1.2 – Enhance Tourism Product.

Other Topics:

Jim Ryan said the design of the first phase of the Riverwalk is taking shape for the area fronting the museum park. Also being discussed is the area behind National City Bank on the river. Another key issue being studied is the future plans for the Main Street Mall. Jim will bring updates to the Board at future meetings.

At the April meeting, Janyce Fadden and Cyndie Hall will speak about the Year of Innovation Project.

Upcoming Event: The Mayor's State of the City Address on March 20th at 6:00 p.m. at the Coronado Theatre.

The Board would like an updated Board List emailed to them.

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No board meeting in March.

Next Board Meeting:

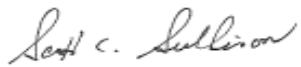
Wednesday, April 23, 2008

7:30 a.m. – 9:00 a.m.

Location: RACVB – Board Room

Meeting was adjourned at 9:00 a.m.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Scott C. Sullivan".

**Scott Sullivan, Board Secretary
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