

HALIFAX AREA ADVERTISING AUTHORITY

**Regular Meeting
Hilton Daytona Beach; Volusia Room
June 17, 2016**

SUMMARY MINUTES

The minutes reflect a summarized view of the meeting.

Board Members Present:

Kyri Drymonis, Steve Farley, Carol Platig, Jim Berkley, Michael Kardos, John Betros, John Phillips, Blaine Lansberry, Libby Gallant and Samir Naran.

Board Absent:

Mihir Patel

Guests:

Michael Moore, Evelyn Fine, Bernie Fine, Jason Outman, Doug Traub, Lori Campbell Baker and Kym Hughes

Staff:

Lisa Bordis and Trish Ruffino.

CALL TO ORDER

Chair Mike Kardos called the meeting to order at 8:33 a.m.

1. Interviews

Chair Kardos turned the meeting over to John Phillips, who is the Chair of the Executive Director Search Committee. Phillips said that the first interview is with Kym Hughes.

Evelyn Fine added that each candidate will come in and tell the board about themselves then the board will be able to ask questions. Steve Farley asked if they plan to do any psychological testing of the candidates like they did last time. Chair Kardos said that it might be worth doing, but can be discussed at different time.

A. Kym Hughes

Ms. Hughes said she is very excited to be here as she used to vacation here when she was a child. She is very passionate about tourism. She understands the economic impact that tourism has and its importance. She loves Daytona Beach and noticed that the advantage of the year around destination. She is stunned at the growth and the race track when she flew in. She wants to be part of the little details and help it move forward. She may not know the entire niche markets are but does know a lot about the destination.

Steve Farley: How is your organization funded? They are 100% funded from the hotels and restaurants.

Are there any restrictions to the money that you get? Yes, Arkansas is more lenient than Georgia was.

What is our biggest challenge? The perception. The changes are incredible and changing the perception is easy. She thinks there has been a change and if the marketing continues as it is, it is on spot.

Samir Naran: Does any of your experience deal with the funds being very transparent and some examples. In Fayetteville they do a lot of things -- like the same person cut the checks and signed them. Also all of staff was using the same credit card and there were receipts missing. All of it stopped. Her audit letter just completed was very good and for the first time in many years. You don't have to try and remember what you did 10 months ago if you have best practices.

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Jim Berkley: How many hotel rooms do you have now? She said they have about 2,200 but book outside Fayetteville. This market would be the largest market.

How did you difference yourself from Atlanta to get people to understand you were not going to be in the rat race? We didn't compete with Atlanta. It was all in the marketing on what they had to work with.

What was your biggest challenge when you arrived at Sandy Springs? She was the only person. She started it from scratch and had it up and running in four months. She got a welcome center, office space and hired staff.

Born in Georgia? Yes and was up in the Chattanooga area where she worked in media.

We want you to have the opportunity to give us a snap shot version of the scenario on what is going on and why you are leaving. She is leaving to get closer to her mom, whom is 77 years old and that is her main reason for leaving. She asked about the article. She has made the decision but the staff is in a good place. There is an employee that is no longer with them and it has made a tremendous impact on the organization. There was another side, with Fayetteville the people are perfect for them but for her she wants more. She wants to see growth and doesn't think they are on board with it.

Blaine Lansberry: What is the structure of your bureau? She has a 7 member commission. CVB has a staff of 8.

How are the 7 member commission appointed? Two are appointed by the mayor; the others put in an application and then go from there.

Do they have anything like the Sunshine Law? She says yes and theirs is stricter. She said with HR your name gets brought into things that have nothing to do with you. They are very strict. The bureau faced some issues on how they did the interviews. The press is very serious about getting what they ask for.

What has been your biggest challenge working with this law? HR. There was some long-standing HR issues, and handling them with the public has to be dealt with delicately. It was a huge challenge.

Tell us one of biggest political challenges and how did you navigate it. Fayetteville. She walked in the door and the relationship with the city and chamber. She said it starts with meeting them and letting them know you can help and are willing to. She said when being new it's easier because there is no package. You can't fix everything but you can try to see what they need and help people.

What is your biggest weakness? Her balance. She works more than she should but she does not regret it. She is learning how to do it. She has to look at the things from a positive standpoint. She is a solutions girl.

What is your experience of leisure marketing? Leisure marketing is so much about social media marketing and video which she has seen huge success from that, especially with the millennials. It lies in the advertising but affordable segments in targeted markets.

Mike Kardos: How did you overcome the HR and Sunshine law issues? She made a recommendation to the board. Many of the employees had worked there a long time and were in need of some guidance. When employees don't feel like they can sway individuals. Where there is an HR presence it makes a difference.

Do you do a lot of operational execution as well? There was a lot of work to be done and she is proud of the work she has done. She believes the staff is happy. There was no five year plan, so she set one in motion.

As a Director of a smaller agency, you have many hats. What is your favorite hat and least favorite? Her favorite is being the director. Least favorite would be giving reports and taking it all on. Being the answer for the 'Why'.

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John Phillips: Why are you leaving? She is looking for something that she grew up around. Doing what she does best in a town that she loves.

How many employees? 17 full time and 10 part time and a lot of contract labor.

Kyri Drymonis: If you were given the position here, what would you do first? She said meeting with all of the board members and see where their minds are and what the expectations. Then she would want to meet with all of the staff and what is needed. Her biggest thing is that the team has the tools they need to do their job. Also, the property owners which will help her get to know the community. Your machine is running well; it is not perfect but learning where the challenges are and moving forward.

Libby Gallant: What do you attribute your 10% growth to? The staff is the number one overlooked commodity in any CVB. A great team and the willingness to understand that change is inevitable.

Trish Ruffino: How would you look at the months that have down time? It is a matter of what that business going to be? Consumer or sports. Sports will bring the family, looking at group tours also. It would be what have to tried, and what haven't you tried.

Have you been through the DMAI accreditation process? She has started it and been through the process.

Kym Hughes said the fruits of the labor are paying off. What is the first matter of business and need of the new director? Samir said that the obvious one is what got us into this position. HR. Are you comfortable with the County running the HR? Mike Kardos explained the employees are leased employees and all HR issues at this point in time are handled internally and then rely on assistance from the County but we feel we can address any HR issues internally. Kardos said leadership and longevity. We have had some turnover and are looking for some longevity. She said she has left everything better than when she got there and that if staff is open for a new leadership and showing them support. If that is not enough for them, it might be the problem of the employees. The employees are not County employees and do not report HR issues to the County. Kardos said that accountability to stakeholders, the County for use of the funds it collects, and internal accountability and results towards the goals. Kardos asked if she was familiar with the other two agencies. She is not familiar with West Volusia but knows people who have worked with Southeast Volusia.

She asked are we confident over the next 12 months, once the Director is in place and the foundation is set that the organization has a really good heartbeat. Jim Berkley says the 'flow of blood in this town is good.' Berkley would love to see more business early of the week and during the week. What is the take on driving and ultimately capturing during the week business? She says this is a group business, not leisure. Meetings and Conventions and sports would be perfect for that.

Meeting paused at 10:06

Libby Gallant left. Carol Platig joined.

B. Douglas Traub

Dough Traub comes from Lake Havasu. Thank you for interviewing him and he travelled 2,000 miles to get here. He has vacationed here for 39 years and his family lives here. He specializes in coastal destinations and great familiarity with issues that arise from working with destinations on

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coasts. He has an MBA and is certified by DMAI and has led two accreditations with two CVBs. He has worked for small agencies and visitor centers. He has been on both sides of the clients. In all of his previous jobs he has been a success. He builds creditable staff and relationships and is an effective board advisor. Public credibility is important, and heads and beds. He has vision and the benefit of hindsight, of bringing communication to the table. He can be out there in front, keeping communication with the board. His goal is to be best of class. He wants the organization to be the best there is in the industry.

Kyri Drymonis: Strengths and Weaknesses of Daytona Beach. The strengths is the investment of marketing in Daytona Beach. Strengths are looking at all of the things coming up in the destination. You can see signs of life coming back and all of the improvements. Weakness of Daytona Beach is perception which takes time to catch up to reality. Marketing Plan shows you are trying to do a lot. The most success is achieved by focus.

Blaine Lansberry: How your previous CVB was structured and how do you report. He has worked for CVBs, a 501c6 Corporation and the county. He worked for the board, and the City contracted the organization.

What is your weakness and how do you deal with it? It is in the details, and being a perfectionist and knowing where to draw the line.

What do you know about the Sunshine Law? The open meetings concept. He knows that the meetings are noticed and minutes taken.

A big political challenge and how you overcame it? Fayetteville; there was talk of the chamber coming back to run the CVB. There has to be accountability measures and trust.

Biggest challenge you have with Lake Havasu with board? Being a very small town, everyone is connected. Relatives are everywhere and when you are on a board there is going to be someone opposed to it. He works under the board and didn't always have the board support. It is easy to go along, the challenge comes when you set a goal for yourself that is higher.

Do you require a contract to work here? Yes.

Mike Kardos: Who were your competitors in market share? Website to make sure the best qualities are on there and when they search they find your site.

John Phillips: Have you ever traveled here for a meeting? He said no but he has stayed at the Hilton the night before last just to understand the product. He also took a walk through the convention center yesterday.

Why Daytona Beach at this point and why is now the right time? 39 years ago my family moved here. He has been coming back to visit them all since then. This is like home to him and comes every single year. He also has owned a house in Volusia County as well. He is ready to come back and call it home.

Jim Berkley: Where did you grow up? In Miami and grew up in Florida and the beach lifestyle.

What were you doing between 2008-2010. When he left Huntington Beach he went through some personal issues and wanted to get out and see the world. He took the two years off and traveled to 39 countries, all in the last nine years.

Do you know about the couple of leadership changes? He said yes the industry is very small. He has heard about this and considered applying for this job two years ago and has reviewed the last two years of minutes. He thinks he can make it through to retirement.

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We want someone for an extended period of time and is important to us. Can you share with us your exit from your most recent position? He wants to pick where he goes and wanted to come here. The contract he has with his board now is only a month notice but the newest contract has him with a three month notice. After six years there was no one left on the board that hired him. He tendered his notice. His last day will be July 12. He 'read the writing on the wall.' The timing was good also.

In any of your leadership roles, have you had to manage through a crisis in the destination? There was an amoeba that causes the death of this kid who dove into the lake. The press turned it into a brain eating amoeba. We got in touch with experts on the whole process and got it under wraps.

Carol Platig: How many people are in your town? 54,256

Steve Farley: What are some challenges you have had in Lake Havasu? There were no signs for any of the attractions. It has taken about four years and getting them all signs and routes to their places. Also the brand, and building the machine in the organization itself.

Trish Ruffino: How do you handle staff? The way you work with staff is half the battle. You can't just be friends with everyone and will have a performance plan for each employee. Focus on four things. Throughout the year you have one-on-ones and go over the performance year. Weekly or monthly staff meeting. Formal reviews of the progress made and base the salary increase off of that. There has to be some kind of ongoing protocol.

Doug Traub: I love this business and can go on all day about it. The stories might be different than what you have read. What would you view as the top two challenges for the new ED or important for them to focus on. Kardos said leadership and accountability. Learning to balance the old school process or belief that might be outdated and might be hindering the growth with being able to balance some new thinking, especially if there is politics involved. Protecting core markets and finding opportunities to grow it. Cooperation with the other two authorities in Volusia County. He grew up in Florida and wants a new challenge. He thinks he can make a difference and wants to retire here.

Paused meeting at 11:46am.

John Betros arrived.

Libby Gallant arrived.

C. Jason Outman

Jason thanked the board for the meeting and is excited about the opportunity. They have spent 7 out of last 10 years family vacationing in Daytona Beach. When he looks at Daytona Beach in the past and what is coming it is an exciting opportunity. He sees the OCC/ADR is up but still lagging. He thinks relationships are key with everyone, local council, mayors and all. Communicating to all the different parties is important. DMOs' focuses are changing and moving into more product, economic and destination development. He is part of the DMAI Sales & Marketing Committee.

Blaine Lansberry: Explain your saying helping build the product. Example was things like getting a cleaner look and giving the DMO input on locations and amenities. Research should be shared with investors wanting to come to the destination.

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Who do you report to? The authority has a 12-member board which is appointed by the city and county. His board is not very active, as they sometimes do not even have a quorum. They have full control. The authority hires the three directors and staff reports to the directors.

How does the marketing organization work? It is basically outsourced. He makes marketing decisions. They have 'had their battles' but they have worked it out. He says that communication is key to come to an agreement. He empowers his team and wants to hear what they have to say. They do a lot of collaboration and even meet at least two times a week.

Do you have anything similar to the Sunshine Law? He didn't know what it was. He does not have any experience.

What is a weakness you have? He gives too many second chances. He is a personable person and sometimes it can get in the way.

What about political challenges? Three main funding sources don't even like each other. There have been council members who questioned the money they are receiving. He tries to stay in front of them and meet with them to keep them in the know. Making sure they know what is going on has worked best.

Do you need a contract? Does not have one, never has.

Mike Kardos: Explain your funding model. Tax comes from 7 different counties and from the City of Columbia and a few small towns. Funding comes from the 16 hotels that participate and the 16 hotels have say to the spending. SCPRT (Acronym of the program originators) came up with the funding guidelines.

Asked about collaboration with the county and such. He believes in finding how we can collaborate more and finding a way to

John Betros: This program is just hotels at the moment but they are going to be working with the restaurants to get them participated. Also, he operates the convention center.

What is your experience with beach destination? He doesn't have any experience but would not hesitate to get and find the answers and doesn't have a problem rising to the occasion.

John Phillips: What is the difference of Midlands and Columbia CVB. He was an authority employee but then went to the CVB. So this was an upward move for him.

Steve Farley: Business breakdown? In 2014 they had 14.5 million visitors with 5.4 overnight visitors out of that. They are more of a transient destination, not group travel.

Kyri Drymonis: Is the 16 hotels capped? No that is the highest hotels with occupancy.

What areas report to you? Sales, services and visitor center. Also a marketing team who works with all three organizations. 11 people under him, 5 in sales.

Describe budget process. The board budget committee is presented the budget and will review it. After five minutes they approved it.

Jim Berkley: 3rd party media coverage? They are bringing in an outside company to redo the website and will be going out more in the future.

How do you do your proposals and such? They are doing a brand refresh right now, they assembled a committee and then all the proposals go to the committee. He would then he just reports back to the board. There are certain things they take to the board, like they changed their audit company. The board made the vote and decision.

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Can you share the last two or three years of internal audits: There had been some accounting principles that they recommended we change. Like a new system and different forms. They reduced credit cards that certain managers had.

When a hotel wants to draw from the DMO fee; do hotels top out based on what you see? Hotels have the option to draw from their paid fee. Their collections for this year are what they can spend the following year.

Mike Kardos: What are your plans to get the weekend business up? The brand refresh is working on that now with visitor profiles and market segments that are best for the destination.

Tell about goals and accountabilities for the team: Right now completely revamping the incentive program. He wanted something that looks at their daily basis. It is a quarterly incentive program based on points from what they accomplished. This structure is moving to all the departments. If they don't meet the goals in the first quarter, they can make it up in the second quarter.

Currently employed, what would your availability be if an offer was accepted? What time commitment without a contract. He would want to give his job a month. He is looking for a destination that he can stay at and live on the beach.

Jason Outman: There was discussion in the minutes about the role of the County and the organization. Lansberry said there is state legislation that gives the County authority to appoint us and approve our budget. The County supports us too. He hopes the County is going to help the destination to grow as a council to help the brand grow. He wanted to know what the expectations are of the Executive Director. Mike Kardos explains that there is a dollar threshold which you have the authority then the board would have to approve. Lansberry said the advisory committees are strong and make recommendations to the board for approval. He is looking forward to coming back to Daytona Beach.

Trish Ruffino: asked about the DMAI accreditation process. They are actually doing it now.

Nuts and Bolts of HR, motivating long term employees: It is a combination of telling them how they are doing and recognize their tenure and also making sure they are continuing on their education process. To continue to push them to develop them. They do staff retreats and do birthdays.

Simpleview: He knows all about it.

Paused 2:31pm

D. Lori Campbell Baker

She brings to the table different qualifications than the others. Over the past 20 years she has represented this destination and thinks the destination has really hit our stride. She thinks now is a good opportunity to move to the next step.

John Betros: Current relationship with staff? Very good and maintain a professional distance but thinks some of the issues are fixable. Betros thinks there might be some rebuilding. She thinks after the staff is able to settle down it can get better. She is a stickler for a chain of command and this has been stepped out of recently.

Building sports, working closely with the county and the schools that are bringing these events here. The more we can get the facilities to be used and stay overnight. She thinks it grows. Sports will bring people in for the competition; they will come back for vacation.

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What has been one of your biggest challenge? Fire, wind and rain always. Hurricanes and alligators. We are just getting to command a higher daily rate and keep getting out the message our destination has.

Kyri Drymonis: Strengths and weakness of destination? We have a lot of strengths, the beach -- and we are very iconic. Our location and the speedway and the air pick-up is getting better. Negatives: image issue is still a problem and the perception is based on something many years ago. We have to continue to position ourselves as we are, and not where we were.

Something you would like to see come to our area? Launch a community campaign and the economic impact. Find something that is working in similar destinations and grab on it.

Libby Gallant: Do you think current marketing strategy should stay or be change? The Original American Beach seems to really be resonating with people and a conversation that continues to need to happen. She loves the campaign and the travel writers love it and the consumer response is great.

Blaine Lansberry: Challenge with hurricanes? The challenge was to remind people that we were open for business. They put together a whole set of videos and releases. She is a huge advocate to maintaining the spirit of the bed tax, and not letting it get chipped away with other uses.

Your strengths and weaknesses, you see what you get. She works really hard and expects her employees to work really hard. It is important to her to spend your time well and not abuse the tax money. She thinks everything should be measurable. Multitasking is a strength. Weakness is that she used to think she needed to be involved in every detail but has realized that she does not need to be anymore.

Sunshine Law challenges? She is familiar with it and as an organization and should continue to be transparent as possible. The staff and board should be reminded and trained on it.

Bed tax and political climate? She already works closely with FADMO and through it they know who to talk to. It is important to protect the bed tax usage. It was created specifically for tourism promotion and needs to stay that way.

Mike Kardos: Challenge face moving from a director position to the Executive Director position. Staff and their acknowledgement of your new role and accountability for the staff. She thinks we should have measurements and that way at the end we can see if the results. She is okay with doing what needs to be done to make the decision of letting staff go, and staying on a professional level helps a director to be more effective.

How would you educate community on what the HAAA board does? In the past we have done more with community outreach. She said we have talked about for years creating a tourism ambassador program. The community knows her and that is one of her strengths

John Phillips: why now? She has looked at the position before but until now she thought it needed to be someone who ran a hotel and/or multiple destinations. She said that in order to make it work she has to have a bulletproof marketing plan and strong department heads.

Shift is marketing in the digital side? We're always changing the way we're marketing the destination Stay involved in whatever comes up. We interact very well with social media. Digital you can see immediately how you are doing but there is a balance to be had. Print is not as dead as some would say.

Speedway is one of our best asset. How can we use the speedway to attract other things? We could host huge conventions there and breakout sessions there.

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Jim Berkley: Marketing Plans back in the day just sat on the shelf. He is happy to hear her talk about how important it is and actually using it. She was involved in assembling the marketing plan in past tenures at the CVB.

How many people in the CVB? 19 full time and 9 part time at visitor centers. Do you feel strongly that you are able to gain quick respect and people will understand that you are now the boss and can work as a team? She does. She knows the staff and works with every single department via communications.

If there is something different that can be changed for the destination that has been done forever? She thinks we would look at everything. At the org chart and everything just like a new person would come in and do. Sometimes we do things because we have always done them, the change could be needed.

Travel? She is fine with traveling and showing off the destination.

Originally from Melbourne Beach.

Samir Naran: Operationally or any aspect, what changes would you like to see? To really know what direction the board members want, she would want to sit down with them and see what the vision is. Also, she would sit down with the staff individually and see what they see in terms of improvement. Some fundamental things like the chain of command and knowing your job role. She would make some changes to the advertising; see how individual media buys are actually producing and what buys might be carrying others. She would focus on the golf program and mid-week stays.

Lori Campbell Baker: As a board, what are you seeing that you would like to see tweaked? Lansberry said that we need to get things settled down and get into a place where we can build on the momentum. This involves political area, staff, the new Executive Director. Stability in the leadership is a step forward in getting everyone refocused.

Berkley said that there is going to be points in time where the DMO is going to be an influential partner in the changes needed. There is blight and necessary improvement but in other towns the DMO has been an influence in the change.

Lori Campbell Baker: The other part of the conversation is the combining of the three authorities. You have to stop the talk because it would have to approve at the state level before it can change. She is glad to have the opportunity and either way she is very supportive of the work the board is doing for this destination.

2. Candidate Interview Discussion

John Phillips said that they need to discuss what they want to do from moving forward.

Betros asked about the preliminary meeting. Got to the group of 5, and then a second meeting at the airport.

After the interviews they ranked them and took the top candidate and put through the psychological testing, which doesn't have to be done, is at the will of the board. The goal is to make a recommendation to the board for vote on Tuesday.

John Betros makes a motion to offer the position to Lori Campbell Baker based on her experience. Steve Farley seconded the motion. Motion passed 9-0.

Mike Kardos liked Outman, and Hughes interviewed well. The internal candidate has some advantages that outweigh the pluses that the other two candidates have. Knowing the lay of the

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land and the landscape, the strengths and weaknesses of the destination and the ramp up time would be minimal.

Samir Naran liked Campbell Baker and Doug Traub. He is on the fence on ranking. There is a large budget with this CVB and when you are promoting within, it can work. However he gets weary of a first time Executive Director even with them being in house. He wants to know what they are thinking when it comes to that and the budget and the amount of staff.

Libby Gallant feels like she is more than capable and demonstrated today about holding employees accountable. Lansberry said that one of their short comings with Tom and didn't examine the structure and with what she showed today she can support her. Lansberry said she did not have a number two.

Jim Berkley said that Outman is headed for big things, but in five years. He is sharp and he wishes him the best. Traub presented well but would need more information on his departure before hiring. Traub made it clear that he can get a job anywhere and we need a leader with a little hunger. We should give her the opportunity to show us her skills because he doesn't think we have even seen the beginning.

Evelyn Fine said that in her research the two that did not have any issues with their references were Outman and Lori. The biggest problems the other two had were their inability to work with staff.

Blaine Lansberry said that Trish has done a great job keeping us going to this point and that Lisa has done well supportively. Trish has been leading the boat, we have made it, and we are thankful. Mike Kardos agrees with Blaine and thinks that Trish's leadership with the support has been admirable.

Steve Farley said that having a second person would be up for discussion. Lansberry said that if Campbell Baker accepts the job this would be something that she would look at. Kardos asked about where to go with the public relations part. Berkley thinks hiring someone for PR would be great for another fresh look.

Send them the salary range of the Executive Director.

3. New Business

None.

4. Old Business

None.

THE MEETING WAS ADJOURNED AT 4:18 pm.

Respectfully submitted,

Lisa Bordis

Executive Assistant