



EDC Budget Committee Minutes
May 10, 2016

Board Members Present:	Suzanne Weber	Board Members Not Present:	Tammy King-Crossley
	Mike Bever		
	Mark Labhart		
	Ray Sieler		
	Garry Bullard		
	Ed Gallagher		
	Doug Olson		
	Michele Bradley		
	Connie Green		
Budget Committee Members Present:	John O'Leary	Budget Committee members not present:	Tom Atchison
	Justin Aufdermauer		Eugene Tish (left-not needed)
	Jan Jensen		
	Pat Kehr		
	Mary Jones		
	Ken Crowe		
Staff Present:	Nan Devlin	Mike Cohen	Laura Gruenewald
	Susan Moreland	Julie Chick	
Public Present:	Gus Meyer		

Call to Order

The meeting was called to order by 11:32 am by Chair Michele Bradley

Election of Budget Committee Chair

A motion to appoint Ken Crowe as the Budget Committee Chair was made by Mark Labhart and seconded by Suzanne Weber. The motion carried.

Election of Budget Committee Secretary

A motion to appoint Mary Jones as Budget Committee Secretary was made by Justin Aufdermauer and seconded by Suzanne Weber. The motion carried.

Review of Proposed TLT Budget

Director Devlin presented her budget message. She had Amy Blackburn put into visuals and graphs on what they're spending. The #1 question she's asked is what they're doing with all that money. The cash carry over is pretty substantial and that's because they just received the money in late February and mid-March in 2016 and didn't have the opportunity yet to fund programs. The Budget reflects that and she's upped some of the line items.

Expecting to receive a little less than what County estimated - \$841K vs \$884K. Estimated lower for Q1 because of the rains. Budget percentages – personnel at 19% which is lower than national average of 33%-46%. Running really lean. Marketing and promotions budgeting almost 70% much higher than national average of 45%. Operations at 7% and average for our size is 16%. Putting a lot more into Marketing and marketing grants rather than Operations and personnel, which can be done effectively with good vendors. Will have to look closer at that next year as strategic plan is put together.

Major differences between current year and next one going forward, putting a lot more money into targeted advertising. Grants Getaways and NW Backroads on KGW-TV, and OPB sponsorships during Nature and Oregon Field Guide programs. Expanding radio with targeted ads on fishing and spring break.

Doing some major investments this year while money and cash carryover money's there. Will invest this year in enhancement of visitor centers. Oregon Travel Experience wants to turn rest area south of town into visitor's center. Wayfinding – upped budgeting to 100k - gateway signage. Hoping to get at least two towns "signed" – Tillamook and Garibaldi to be pilot program. Other investment, cooperative marketing with neighboring Counties.

After questions and clarification in a few areas, discussion on some of the targeted advertising and the pilot program and how it's about creating a culture of hospitality. Two revenue programs – Holiday lights "light up Tillamook Coast from Manzanita to Neskowin." The other program is lodging revenue program – more than 60% of lodging properties did not have online reservation nor mobile responsive websites. 80% of people who book lodging do it on phone. Nine properties getting new optimized, responsive websites and online reservation system for year.

Review of Proposed EDC Budget

Director Cohen presented his budget starting with the change that's been made to it since his tenure began and having a better understanding of it. Budget is now divided up substantially more than before as the Revolving Loan Fund has been separated out. Those funds have nothing to do with how the EDC operates. The two positions in the organization were separated out into personnel. With those and other changes, the picture is much clearer. We're operating within set parameters while trying not to dig into the reserves. The way the budget is set, in pretty good shape.

But based on that, 95k was asked from the County. Just found out within last 3 days that after all was presented and budget committee and 2 of 3 commissioners verbally approved, County Treasurer took funds away from lottery income and is giving it to the General Fund. There's a possibility that EDC will not get the 30k that was asked. If that happens, many things on the Work Plan cannot be accomplished. Director Cohen will go to the County Budget meeting tomorrow to plead his case. Question was asked on monies set aside for non-capital equipment. EDC/SBDC staff is set to move to new building and this would be for furnishing new office(s). These expenses need to be shared equally between the SBDC and EDC. The question was asked again why Tourism has all the money and EDC can't share in that. Legally it can't be done. Statute is very clear and has been challenged before.

Mention of County Budget meeting again and a plea for all to show up. There was discussion and clarification on how the SBDC and EDC budgets are spent and on what. Director Cohen cleared up any questions or confusion on where money comes from concerning any work that is being done on behalf of EDC. Funds for SBDC remain in work done for that organization. EDC needs to fund personnel work to be done on behalf of EDC.

Approval of Proposed Budget

John O'Leary motioned to adopt the EDC & Tourism budget as presented and make recommendation to Tillamook County to move on funding options as identified in the budget. Michele Bradley seconded motion. There was a question about the new Membership and the various levels wondering if it could compensate for lack of funding from the County. Director Cohen explained that in the new membership how it's set up and with new dollar amounts, much is redistribution of existing and mainly for new memberships. After more discussion on the County distribution of funds that are in question, no questions from the general public that were present, the motion carried.

Adjournment

Meeting was adjourned at 1:07pm.