

Board of Directors

Bruce Spangler, President (Oroville)
 Brooke Isenberg, Vice President (Chico)
 Dori Franklin, Secretary (Chico)
 John Pearson, (At Large)
 Kiran Paragji, (Oroville)
 Haroon Saddique, (Paradise)
 Mohammad Billah, (Chico)
 Nicole Johansson, (At Large)
 Vacant, Unincorporated County

**Advisory Board**

Debbie Collins (Chico)
 DCBA (Chico)
 Evie Cameron (Paradise)
 Heather MacDonald (County)
 Jennifer Leonard (County)
 Melissa Schuster (Paradise)
 Chico Velo (Countywide)
 Tony Catalano (Oroville)

REGULAR EXPLORE BUTTE COUNTY BOARD MEETING AGENDA – December 12, 2019

REGULAR BOARD MEETING

Butte County Association of Governments, Board Room
 326 Huss Drive, Building E Chico
 12:00 – 2:00 PM

PURPOSE: The purpose of this corporation shall be to promote Butte County tourism through the development and operation of a tourism business improvement district and other programs and initiatives.

STRATEGIC OBJECTIVES: 1) Establish EBC as a recognized leader driving county tourism effort to achieve 100% jurisdictional buy-in by 2020; 2) Establish EBC as the authority in tourism by developing and deploying creative assets that promote Butte County as preferred travel destination; 3) Solidify the administrative function of EBC.

1. Call to Order and Roll Call – 12:00 p.m. in the BCAG Board Room, 326 Huss Lane, Building E, Chico

2. **CONSENT AGENDA**

2.1 Approval of Board Meeting Minutes of November 14, 2019

2.2 Approval of November 2019 Financial Reports

2.3 Allocating equity line item 3350 TBID Renewal Fees from “Reserved – TBID Renewal Fees to an unrestricted net asset so it can be used for the TBID renewal process beginning December 2019

3. **PUBLIC COMMENT**

The public is invited to address the Board regarding any non-agenda items at this time. Time is limited to 3-minutes per speaker. The Board may not take any action on public comment.

4. **REGULAR AGENDA**

- 4.1 **RECOGNITION OF HEATHER MACDONALD’S RESIGNATION FROM THE ADVISORY BOARD**

Heather MacDonald submitted her letter of resignation as Advisor to the Board for the Unincorporated County – representing the County of Butte – effective immediately.

Recommendation: *No action required. At this point another representative from the County has not been identified to attend EBC Board meetings in the role of Advisor.*

- 4.2 **VARIANCE REPORT**

Review variance reports for October.

Recommendation: *No recommendation, just review. Questions to be addressed here.*

4.3 CREATION OF AD HOC COMMITTEE TO LEAD THE TBID RENEWAL PROCESS

At the November 14, 2019 board meeting the Board approved hiring Civitas to lead the TBID renewal process beginning in December. Denero and Spangler spoke with Kelly Rankin and Nichole Farley to establish next steps. It was outlined that the Board will need to designate an ad hoc committee to be comprised of only hotel board members and it must be comprised of less than a quorum. The ad hoc committee will be created to have a specific purpose of leading the renewal process, reviewing and recommending updates to the management district plan, and advocate to other hoteliers in the county to renew the TBID. The ad hoc committee will meet for a specific period of time no longer than December of 2020; ultimately the time period will be only for the length of the renewal process.

Recommendation: *To assign an ad hoc committee responsible for leading the TBID renewal process. The committee will be comprised only of voting board members representing only lodging of no more than 4 people and the committee. The committee will only be active until the TBID is renewed by the Board of Supervisors but no longer than December 2020.*

4.4 FINANCE COMMITTEE REPORT AND CONSIDERATION OF THE 2020 DRAFT BUDGET

The finance committee met to review a draft 2020 budget. The key components of differentiation for the 2020 budget versus the 2019 budget are:

- Income
 - Program income expected to be much higher than 2019.
 - New income types including advertising income from co-op ad opportunities, EBC visitors guide income, and special program participation income.
- Sales and Marketing Expenses
 - Budget includes “normal expenses” and additional expenses to be spent from net assets. Normal expenses are built so subsequent annual budgets have a base operating standard.
 - Conferences has increased so EBC can attend sales-types of conferences to “sell” Butte County as a destination.
 - Postage added to marketing expense because of cost to mail visitors guides and collateral.
 - Public relations was added as a subcategory of “marketing contracts” and is for the RFP already pre-approved by the Board. There is an additional PR line item that will be allocated to hosting quarterly FAM and other influencers. This can be managed by EBC or used to supplement the contractor’s budget.
 - Health Insurance has been added as a payroll expense.
 - State Fair Exhibit has been significantly decreased; the State Fair will be creating each county’s exhibit in 2020.
- Administrative Expenses

- Increase to conference, convention, meetings so Denero can attend more industry events / committee / board meetings.
- \$60,000 added to general administration to pay for strategic planning.
- \$55,000 added to legal fees to pay for Civitas's fees for TBID renewal

The budget is built to have a net loss of \$513,500; this is a total budget spend of \$1,373,650 for the 2020 budget year. The budget is built with a net loss so that a significant portion of our net assets can be spent down.

Recommendation: *To approve the draft 2020 budget as provided.*

4.5 MARKETING COMMITTEE REPORT

The committee reviewed various proposals for research and data collection as we move into 2020. The Center for Economic Development is able to provide look-alike demographic data for all of California that would allow EBC to target like audiences. The committee would like to expand that data collection to include Nevada and Oregon. This will help us determine additional markets to expand our messaging to. The proposed cost is \$1,500 (California data only).

A larger conversation was had about the need for strategic planning as we come up for TBID renewal and visioning for the organization. EBC needs to begin the process for short, mid, and long-term strategic planning for the future. There is an opportunity for EBC to be a driver of the tourism economic engine and lead the jurisdiction partners in visioning and goal setting.

5. REPORTS AND COMMUNICATIONS

5.1 Marketing Communications Report *Ashley Baer*

5.2 Nominations Committee Report *Bruce Spangler*

5.3 Executive Director Report *Carolyn Denero*

6. ADJOURNMENT

The next regularly scheduled meeting: January 9, 2020

Board of Directors

Bruce Spangler, President (Oroville)
 Brooke Isenberg, Vice President (Chico)
 Dori Franklin, Secretary (Chico)
 John Pearson, (At Large)
 Kiran Paragji, (Oroville)
 Haroon Saddique, (Paradise)
 Mohammad Billah, (Chico)
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 Chico Velo (Countywide)
 Tony Catalano (Oroville)

REGULAR EXPLORE BUTTE COUNTY BOARD MEETING – November 14, 2019

REGULAR BOARD MEETING

Butte County Association of Governments, Board Room
 326 Huss Drive, Building E Chico
 12:00 – 2:00 PM

MINUTES

PURPOSE: The purpose of this corporation shall be to promote Butte County tourism through the development and operation of a tourism business improvement district and other programs and initiatives.

1. Call to Order and Roll Call – Meeting called to order by Vice President Isenberg at 12:03 p.m.

Present: Directors Isenberg, Franklin, Pearson, Paragji, Billah, Johansson. Advisors Collins, Cameron, MacDonald, Leonard, Schuster, Catalano. Staff Denero, Baer.

Absent: Directors Spangler, Saddique.

Guests: Melanie Basset – DCBA, Nichole Farley – Civitas, Audrey Taylor – Everybody Healthy Body, Chris Constantin – City of Chico, Pat Macias - monca

2. **CONSENT AGENDA**

2.1 Approval of Special Board Meeting Minutes of October 23, 2019

2.2 Approval of October 2019 Financial Reports

A motion was made by Director Billah and seconded by Director Pearson to approve the consent agenda items.

The motion was carried by the following vote:

AYES: Isenberg, Franklin, Pearson, Paragji, Billah, Johansson.

NOES: None

ABSTENTIONS: None

3. **PUBLIC COMMENT**

The public is invited to address the Board regarding any non-agenda items at this time. Time is limited to 3-minutes per speaker. The Board may not take any action on public comment.

Jennifer Leonard: The Durham Wine District has an event December 7 & 8, a wine trail event. Purchase one ticket and you can taste at all 4 wineries.

Melissa Schuster: Attended the Main Street Summit in North Dakota. It was chock full of great information and ideas as our area looks to move forward.

Pat Macias: monca has 8 various events happening in the coming months.

4. **REGULAR AGENDA**

4.1 CONSIDERATION OF CIVITAS PROPOSAL FOR RENEWING BUTTE COUNTY TOURISM BUSINESS IMPROVEMENT DISTRICT – PRESENTATION BY NICHOLE FARLEY (10 min)

The Tourism Business Improvement Plan (TBID) managed by Explore Butte County was secured for 5 years and is set to expire November 30, 2020. The process for renewing the TBID is lengthy, especially because all jurisdictions and the Board of Supervisors must agree to move forward. Staff has been in touch with Civitas, the group who secured the initial TBID, and they have submitted a proposal and timeline for renewal.

Presentation was made by Nichole Farley. The Board will need to create an ad hoc steering committee to lead the process. There are items to consider, like the length of the BCTBID, review of the district and legal documents.

A motion was made by Director Johansson and seconded by Director Paragji to accept the scope of work and budget for the BCTBID renewal as submitted by Civitas, to begin as early as December 2019 with the goal of including all Butte County jurisdictions in a 10-year renewal of the BCTBID.

The motion was carried by the following vote:

AYES: Isenberg, Franklin, Pearson, Paragji, Billah, Johansson.

NOES: None

ABSTENTIONS: None

4.2 EVERYBODY HEALTHY BODY PROGRESS – HEALTHY COMMUNITIES TASK FORCE & PROJECT PLAY (10 min)

Audrey Taylor to update EBC Board on the progress of EBHB.

Audrey Taylor presented an update of progress of EBHB. They were recognized as a Project Play Champion through the Aspen Institute.

4.3 VARIANCE REPORT

Review variance reports for October.

No questions or comments.

4.4 MARKETING COMMITTEE REPORT - CONSIDERATION OF DISTRIBUTING A REQUEST FOR PROPOSAL FOR THIRD PARTY PUBLIC RELATIONS SERVICES – MARKETING COMMITTEE

The Marketing Committee met on October 31; agenda and minutes included in board packet. Discussion was had regarding the lack of earned media in current strategy. Earned media includes the stories and attractions that should be “pitched” to travel writers and editors, influencers learning about Butte County and wanting to experience it, and coordinating FAM tours for specific, targeted groups. EBC is also lacking a local “PR” campaign to let our local market know about the projects, campaigns, and impact we have locally. Shasta Cascade Wonderland Association and Visit Redding both work with a nationwide PR firm from New York and highly recommended working with a PR firm who could vet and pitch the area for additional exposure. Main point was made that managing another vendor would require considerable time for EBC staff, and working with a firm unfamiliar with, or without easy access to, Butte County would probably be difficult to manage while going into a renewal year. Committee agreed that EBC should search for a local PR firm with a better understanding of our area, and greater access to it.

A motion was made by Director Paragji and seconded by Director Billah to authorize the marketing committee to create a request for proposal to contract with a third party public relations agency for the 2020 calendar year with a budget not to exceed \$60,000 (\$5,000 per month) after final RFP is approved by BOD.

The motion was carried by the following vote:

AYES: Isenberg, Franklin, Pearson, Paragji, Billah, Johansson.

NOES: None

ABSTENTIONS: None

4.5 NOMINATION COMMITTEE REPORT - CONSIDERATION OF UPDATED NOMINATION PROCEDURE TO REMOVE “FROM THE FLOOR” NOMINATIONS

The Nomination Committee met to review and discuss the nomination procedure and recruitment for the upcoming annual meeting. The digital notification was emailed to the EBC stakeholder group and each expiring advisor or director offering significant time to submit their letter of interest for serving additional terms. Mailed information will be distributed in the coming weeks. Committee reviewed the procedure for day-of nominations and would like to remove the nominations from the floor. With the new procedure of notification and recruitment, any interested party would be familiar with how to participate on the board or advisory board. Further, the nomination committee is spending months recruiting, vetting, and recommending nominations for available seats and their recommendations should be the only consideration for the voting board.

Additionally, the procedure would be modified so that the voting happens at the end of the annual meeting in March so that the voting board can vote on all business they have been a party to as it did not make since for new voting board members to vote on business they may not have been aware of, which could happen if new members took their seats at the beginning of the meeting.

A motion was made by Director Pearson and seconded by Director Franklin that the board approve the new nomination procedure which would remove nominations from the floor and move the business of nominating new directors and advisors to the end of the annual March meeting.

The motion was carried by the following vote:

AYES: Isenberg, Franklin, Pearson, Paragji, Billah, Johansson.

NOES: None

ABSTENTIONS: None

4.6 CONSIDERATION OF 2020 MEETING CALENDAR

EBC's bylaws require the Board of Directors to meet a minimum of once a quarter. Currently, the BOD has a monthly meeting scheduled, but due to lack of business or lack of quorum the board generally meets every other month with last minute cancellations.

A motion was made by Director Billah and seconded by Director Pearson to create a set schedule for 2020 and that the Board will meet on odd months beginning with January. Special meetings can still be called, but this will be the set schedule.

The motion was carried by the following vote:

AYES: Isenberg, Franklin, Pearson, Paragji, Billah, Johansson.

NOES: None

ABSTENTIONS: None

5. REPORTS AND COMMUNICATIONS

5.1 Marketing Communications Report *Ashley Baer*

5.2 Executive Director Report *Carolyn Denero*

6. ADJOURNMENT

The next regularly scheduled meeting: December 12, 2019

Explore Butte County

Balance Sheet

As of November 30, 2019

	Nov 30, 19
ASSETS	
Current Assets	
Checking/Savings	
1000 · Tri Counties Bank	1,066,897.72
Total Checking/Savings	1,066,897.72
Total Current Assets	1,066,897.72
Fixed Assets	
1500 · Furniture and Equipment	12,049.42
1600 · Accumulated depreciation	-830.00
Total Fixed Assets	11,219.42
TOTAL ASSETS	1,078,117.14
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
2100 · TCB Credit Card	5,603.02
Total Credit Cards	5,603.02
Other Current Liabilities	
2400 · Payroll Liabilities	3,214.35
Total Other Current Liabilities	3,214.35
Total Current Liabilities	8,817.37
Total Liabilities	8,817.37
Equity	
3200 · Unrestricted Net Assets	986,445.57
3300 · Net Assets - Reserved	
3350 · Reserved - TBID Renewal Fees	75,000.00
3360 · Reserved - Zone Marketing	167,369.68
Total 3300 · Net Assets - Reserved	242,369.68
Net Income	-159,515.48
Total Equity	1,069,299.77
TOTAL LIABILITIES & EQUITY	1,078,117.14

Explore Butte County

Profit & Loss

November 2019

	Nov 19
Ordinary Income/Expense	
Income	
4800 · Other Types of Income	
4810 · Interest Income	18.04
Total 4800 · Other Types of Income	18.04
Total Income	18.04
Gross Profit	18.04
Expense	
6000 · Sales and Marketing Expense	
6010 · Advertising	9,996.92
6030 · Conferences	112.96
6050 · Creative Services	2,769.20
6070 · Dues and Memberships	250.00
6100 · Marketing contracts	
6110 · Advertising Agencies	32,212.00
Total 6100 · Marketing contracts	32,212.00
6340 · Public Relations	653.00
6350 · Sales and Marketing Exp. -Other	661.32
6400 · Staffing - Marketing	
6410 · Staffing - Marketing payroll	8,586.70
6420 · Staffing - Payroll Taxes - Mktg	656.88
Total 6400 · Staffing - Marketing	9,243.58
6700 · Website	90.78
Total 6000 · Sales and Marketing Expense	55,989.76
7000 · Administration Expenses	
7010 · Advertising	151.71
7030 · Conference, Convention, Meeting	3,894.00
7040 · Contract services	612.00
7070 · General Administration	100.00
7200 · Meals	307.60
7300 · Office supplies	465.97
7310 · Postage	309.13
7320 · Printing and Copying	131.01
7330 · Professional fees - Accounting	675.00
7400 · Staffing - Admin	
7410 · Staffing - Admin Payroll	1,940.10
7420 · Payroll taxes - admin	148.42
Total 7400 · Staffing - Admin	2,088.52
7500 · Subscriptions	69.98
7560 · Telephone, Telecommunications	441.06
7570 · Travel	47.85
Total 7000 · Administration Expenses	9,293.83
Total Expense	65,283.59
Net Ordinary Income	-65,265.55
Net Income	-65,265.55

Explore Butte County

Profit & Loss

January through November 2019

	Jan - Nov 19
Ordinary Income/Expense	
Income	
4000 · Program Income	
4200 · Butte County	3,337.80
4300 · Chico	531,826.73
4400 · Oroville	153,167.17
4500 · Paradise	7,016.06
Total 4000 · Program Income	695,347.76
4800 · Other Types of Income	
4810 · Interest Income	206.05
4815 · CTA Registrations	325.00
4820 · Miscellaneous Revenue	10,368.93
Total 4800 · Other Types of Income	10,899.98
Total Income	706,247.74
Cost of Goods Sold	
5000 · 2% Fee	
5200 · 2% Fee - Butte County	66.76
5300 · 2% Fee - Chico	10,636.54
5400 · 2% Fee - Oroville	3,063.35
5500 · 2% Fee - Paradise	140.32
Total 5000 · 2% Fee	13,906.97
Total COGS	13,906.97
Gross Profit	692,340.77
Expense	
6000 · Sales and Marketing Expense	
6010 · Advertising	67,214.68
6030 · Conferences	4,354.03
6050 · Creative Services	99,061.43
6060 · CTA Program	12,943.19
6070 · Dues and Memberships	961.20
6100 · Marketing contracts	
6110 · Advertising Agencies	340,236.71
6120 · Jack Rabbit	11,895.00
Total 6100 · Marketing contracts	352,131.71
6200 · Meals	918.75
6320 · Printing	23,547.90
6340 · Public Relations	23,491.47
6350 · Sales and Marketing Exp. -Other	3,134.32
6400 · Staffing - Marketing	
6410 · Staffing - Marketing payroll	94,210.73
6420 · Staffing - Payroll Taxes - Mktg	7,697.84
6430 · Workers comp insurance	1,622.81
Total 6400 · Staffing - Marketing	103,531.38
6600 · State Fair Exhibit	15,525.51
6700 · Website	1,185.65
Total 6000 · Sales and Marketing Expense	708,001.22
6900 · Zone and Micro-Marketing	
6910 · Outside Contract Services	74,150.00
6900 · Zone and Micro-Marketing - Other	2,500.00
Total 6900 · Zone and Micro-Marketing	76,650.00
7000 · Administration Expenses	
7150 · Interest expense	188.75
7010 · Advertising	280.00

Explore Butte County

Profit & Loss

January through November 2019

	Jan - Nov 19
7020 · Bank fees	112.00
7030 · Conference, Convention, Meeting	4,436.00
7040 · Contract services	612.00
7050 · Education	1,191.37
7060 · Filing fees/ taxes	10.00
7070 · General Administration	1,110.01
7100 · Insurance	1,964.00
7200 · Meals	1,766.46
7210 · Membership dues	1,040.00
7300 · Office supplies	2,346.30
7310 · Postage	1,289.67
7320 · Printing and Copying	630.65
7330 · Professional fees - Accounting	12,460.00
7360 · Rent/ Office Space	9,860.00
7400 · Staffing - Admin	
7410 · Staffing - Admin Payroll	20,095.98
7420 · Payroll taxes - admin	1,577.61
7430 · Workers comp insurance	345.29
Total 7400 · Staffing - Admin	22,018.88
7500 · Subscriptions	1,817.87
7560 · Telephone, Telecommunications	2,179.86
7570 · Travel	1,891.21
Total 7000 · Administration Expenses	67,205.03
Total Expense	851,856.25
Net Ordinary Income	-159,515.48
Net Income	-159,515.48

Explore Butte County Profit & Loss Budget Overview

January through November 2019

	Jan - Nov 19	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4000 · Program Income			
4200 · Butte County	3,337.80	5,093.00	-1,755.20
4300 · Chico	531,826.73	402,456.00	129,370.73
4400 · Oroville	153,167.17	101,887.50	51,279.67
4500 · Paradise	7,016.06		
Total 4000 · Program Income	695,347.76	509,436.50	185,911.26
4800 · Other Types of Income			
4810 · Interest Income	206.05		
4815 · CTA Registrations	325.00	2,291.00	-1,966.00
4820 · Miscellaneous Revenue	10,368.93		
Total 4800 · Other Types of Income	10,899.98	2,291.00	8,608.98
Total Income	706,247.74	511,727.50	194,520.24
Cost of Goods Sold			
5000 · 2% Fee			
5200 · 2% Fee - Butte County	66.76	101.00	-34.24
5300 · 2% Fee - Chico	10,636.54	8,050.00	2,586.54
5400 · 2% Fee - Oroville	3,063.35	2,037.00	1,026.35
5500 · 2% Fee - Paradise	140.32		
Total 5000 · 2% Fee	13,906.97	10,188.00	3,718.97
Total COGS	13,906.97	10,188.00	3,718.97
Gross Profit	692,340.77	501,539.50	190,801.27
Expense			
6000 · Sales and Marketing Expense			
6010 · Advertising	67,214.68	68,750.00	-1,535.32
6020 · Capital Display	0.00	916.00	-916.00
6030 · Conferences	4,354.03	4,584.00	-229.97
6050 · Creative Services	99,061.43	102,666.00	-3,604.57
6060 · CTA Program	12,943.19	13,750.00	-806.81
6070 · Dues and Memberships	961.20	3,666.00	-2,704.80
6100 · Marketing contracts			
6110 · Advertising Agencies	340,236.71	297,916.00	42,320.71
6120 · Jack Rabbit	11,895.00	11,000.00	895.00
Total 6100 · Marketing contracts	352,131.71	308,916.00	43,215.71
6200 · Meals	918.75	2,109.00	-1,190.25
6320 · Printing	23,547.90	45,834.00	-22,286.10
6340 · Public Relations	23,491.47	27,500.00	-4,008.53
6350 · Sales and Marketing Exp. -Other	3,134.32	8,250.00	-5,115.68
6400 · Staffing - Marketing			
6410 · Staffing - Marketing payroll	94,210.73	91,460.00	2,750.73
6420 · Staffing - Payroll Taxes - Mktg	7,697.84	8,250.00	-552.16
6430 · Workers comp insurance	1,622.81	916.00	706.81
Total 6400 · Staffing - Marketing	103,531.38	100,626.00	2,905.38
6600 · State Fair Exhibit	15,525.51	22,916.00	-7,390.49
6700 · Website	1,185.65	14,666.00	-13,480.35
Total 6000 · Sales and Marketing Expense	708,001.22	725,149.00	-17,147.78
6900 · Zone and Micro-Marketing			
6910 · Outside Contract Services	74,150.00	50,943.00	23,207.00
6900 · Zone and Micro-Marketing - Other	2,500.00		
Total 6900 · Zone and Micro-Marketing	76,650.00	50,943.00	25,707.00
7000 · Administration Expenses			
7150 · Interest expense	188.75		
7010 · Advertising	280.00	687.50	-407.50
7020 · Bank fees	112.00	91.00	21.00
7030 · Conference, Convention, Meeting	4,436.00	916.00	3,520.00
7040 · Contract services	612.00	1,146.00	-534.00
7050 · Education	1,191.37	3,209.00	-2,017.63
7060 · Filing fees/ taxes	10.00	91.00	-81.00
7070 · General Administration	1,110.01	9,166.00	-8,055.99
7100 · Insurance	1,964.00	2,384.00	-420.00
7200 · Meals	1,766.46	687.50	1,078.96
7210 · Membership dues	1,040.00	916.00	124.00

Explore Butte County Profit & Loss Budget Overview

January through November 2019

	Jan - Nov 19	Budget	\$ Over Budget
7300 · Office supplies	2,346.30	2,200.00	146.30
7310 · Postage	1,289.67	459.00	830.67
7320 · Printing and Copying	630.65	916.00	-285.35
7330 · Professional fees - Accounting	12,460.00	13,750.00	-1,290.00
7340 · Professional fees - Legal	0.00	2,291.00	-2,291.00
7350 · Promotion	0.00	91.00	-91.00
7360 · Rent/ Office Space	9,860.00	9,166.00	694.00
7400 · Staffing - Admin			
7410 · Staffing - Admin Payroll	20,095.98	20,189.00	-93.02
7420 · Payroll taxes - admin	1,577.61	1,834.00	-256.39
7430 · Workers comp insurance	345.29	240.50	104.79
Total 7400 · Staffing - Admin	22,018.88	22,263.50	-244.62
7500 · Subscriptions	1,817.87	1,375.00	442.87
7560 · Telephone, Telecommunications	2,179.86	2,200.00	-20.14
7570 · Travel	1,891.21	1,834.00	57.21
7900 · Admin Expense- Other	0.00	916.00	-916.00
Total 7000 · Administration Expenses	67,205.03	76,755.50	-9,550.47
8000 · Contingency	0.00	15,352.50	-15,352.50
Total Expense	851,856.25	868,200.00	-16,343.75
Net Ordinary Income	-159,515.48	-366,660.50	207,145.02
Net Income	-159,515.48	-366,660.50	207,145.02



Butte County Administration

Shari McCracken
Chief Administrative Officer

25 County Center Drive, Suite 200
Oroville, California 95965

T: 530.552.3300
F: 530.538.7120

buttecounty.net/administration

Members of the Board

Bill Connelly | Debra Lucero | Tami Ritter | Steve Lambert | Doug Teeter

December 3, 2019

Dear Carolyn and Board Members,

Please accept this letter as my formal resignation from my role as Advisory Board Member. My last day will be Friday, December 20th 2019.

I would like to take this opportunity to thank you for the opportunity to serve your Board and the residents and visitors of Butte County. I am very grateful for the time I have spent on the Advisory Board and the professional relationships I've built. It's been a pleasure working with you.

Sincerely,

Heather MacDonald
Management Analyst
Butte County

2020 Draft Budget v2 - For Board Approval 12-12-19

	Base Budget	Notes	From "Other Income"	From "Equity"	Final Budget
Income					
Program Income					
Butte County	\$ 8,000.00	0.94%			\$ 8,000.00
Chico	\$ 630,000.00	74.12%			\$ 630,000.00
Oroville	\$ 200,000.00	23.53%			\$ 200,000.00
Paradise	\$ 12,000.00	1.41%			\$ 12,000.00
Total Program Income	\$ 850,000.00				\$ 850,000.00
					\$ -
Other Types of Income					\$ -
CTA Registrations	\$ 5,000.00	200 @ \$25 /ea			\$ 5,000.00
CTA Renewal Fees	\$ 450.00	30 @ \$15/ea			\$ 450.00
Visitor Guide Advertising	\$ 10,000.00	10 pages @ \$1,000/ea			\$ 10,000.00
Non-Lodging Participation	\$ 7,000.00	Restaurant and Museums participating in events - to be spent on Advertising line item			\$ 7,000.00
Co-Op Advertising Income	\$ 5,000.00	To be spent on advertising line item			\$ 5,000.00
Interest Income					\$ -
Total Other Types of Income	\$ 27,450.00				\$ 27,450.00
					\$ -
Cost of Goods Sold (2% admin fee)					\$ -
Butte County	\$ 160.00				\$ 160.00
Chico	\$ 12,600.00				\$ 12,600.00
Oroville	\$ 4,000.00				\$ 4,000.00
Paradise	\$ 240.00				\$ 240.00
CTA renewal paid to Mickey	\$ 300.00	have to pay Mickey \$10 for every renewal through the program			\$ 300.00
Total COGS	\$ 17,300.00				\$ 17,300.00
					\$ -
Gross Profit	\$ 860,150.00				\$ 860,150.00
					\$ -
Expense					\$ -

Sales and Marketing Expense (70% - \$595,000)					\$	-
Advertising	\$	75,000.00		\$ 12,000.00	\$ 44,000.00	\$ 131,000.00
Capitol Display	\$	1,500.00	Sales Missions (IMM, any place we have a booth to sell Butte County - and all travel related to that item goes here)			\$ 1,500.00
Conferences	\$	15,000.00				\$ 15,000.00
Creative Services	\$	36,000.00			\$ 95,000.00	\$ 131,000.00
CTA Program	\$	15,000.00	annual renewal fee + registration fees, quarterly fieldtrips & incentives	\$ 5,150.00		\$ 20,150.00
Dues and Memberships	\$	4,000.00				\$ 4,000.00
Marketing contracts						\$ -
Porter Co Agencies	\$	175,000.00			\$ 198,000.00	\$ 373,000.00
Jack Rabbit	\$	12,000.00				\$ 12,000.00
Public Relations	\$	36,000.00	\$3,000/mo baseline		\$ 12,000.00	\$ 48,000.00
CrowdRiff	\$	13,000.00				\$ 13,000.00
Total Marketing Contracts	\$	236,000.00				
						\$ -
Meals	\$	3,000.00				\$ 3,000.00
Payroll Expense						\$ -
Employee Wages	\$	123,550.00				\$ 123,550.00
Payroll Tax Expense	\$	11,800.00				\$ 11,800.00
WC Insurance	\$	1,260.00				\$ 1,260.00
Health Insurance	\$	14,890.00				\$ 14,890.00
Total Payroll Expense	\$	151,500.00				
Postage	\$	4,000.00	visitors guides, maps, brochures			\$ 4,000.00
Printing	\$	20,000.00	visitors guides, maps, brochures	\$ 10,000.00		\$ 30,000.00
Public Relations	\$	12,000.00			\$ 40,000.00	\$ 52,000.00
State Fair Exhibit	\$	5,000.00			\$ -	\$ 5,000.00
Website	\$	12,000.00				\$ 12,000.00
Sales and Marketing Expense - Other	\$	5,000.00			\$ 5,000.00	\$ 10,000.00
Total 6000 - Sales and Marketing Expense	\$	595,000.00		\$ 27,150.00	\$ 394,000.00	\$ 1,016,150.00

Zone and Micro-Marketing (10%)				\$	-
				\$	-
Outside Contract Services	\$	85,000.00	\$	30,000.00	\$ 115,000.00
Administration Expenses (15% - \$127,500)				\$	-
				\$	-
Advertising	\$	750.00		\$	750.00
Bank fees	\$	100.00		\$	100.00
Conference, convention, meetings	\$	8,000.00	Denero travel to industry conventions and meetings: Visit CA board meetings, Cal Travel, DMA West, etc.	\$	8,000.00
Contract services	\$	1,250.00		\$	1,250.00
Education	\$	5,000.00		\$	5,000.00
Filing fees, taxes	\$	100.00		\$	100.00
General Administration	\$	10,000.00		\$	60,000.00
Insurance	\$	3,000.00		\$	3,000.00
Meals	\$	1,000.00		\$	1,000.00
Membership dues	\$	1,000.00		\$	1,000.00
Miscellaneous				\$	-
Office supplies	\$	2,400.00		\$	2,400.00
Postage	\$	500.00	office postage, not marketing materials	\$	500.00
Printing and Copying	\$	1,000.00		\$	1,000.00
Professional fees - accounting	\$	18,000.00		\$	18,000.00
Professional fees - legal	\$	2,500.00		\$	55,000.00
Promotion	\$	100.00		\$	100.00
Rent/Office Space	\$	15,000.00		\$	15,000.00
Payroll Expense				\$	-
Employee Wages	\$	40,620.00		\$	40,620.00
Payroll Tax Expense	\$	3,860.00		\$	3,860.00
WC Insurance	\$	450.00		\$	450.00
Health Insurance	\$	4,400.00		\$	4,400.00
Total Payroll Expense	\$	49,330.00			
Subscriptions	\$	3,000.00		\$	3,000.00

Telephone, Telecommunications	\$	2,400.00			\$	2,400.00
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Travel	\$	2,070.00			\$	2,070.00
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Administration Expenses - Other	\$	1,000.00			\$	1,000.00
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Total Administration Expense	\$	127,500.00		\$	115,000.00	\$	242,500.00
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	\$	-
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Contingency (3%)	\$	25,500.00
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	\$	-
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Total Expense	\$	807,500.00	\$	27,150.00	\$	539,000.00	\$	1,373,650.00
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	\$	-
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Net Ordinary Income	\$	-	\$	-	\$	(513,500.00)
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Increased advertising base by \$5,000 taken from State Fair.; increased equity by \$4000 for total of \$131,000 in advertising

\$372,980 - Pco budget already approved

Contract agency to manage PR, includes writing, pitching, hosting.

\$10K/quarter to host large FAM group coordinated by EBC. Should leave budget for incremental hosting of influencers

v2 - State Fair will be creating ALL county exhibits. This line item will allow us to participate with additional swag, messaging, giveaway, etc. NO booth production

\$60,000 for strategic planning - good for 5 years?

Civitas Fees for Renewal included here

Description of Line Items

2020 Draft Budget v2

	Final Budget	Notes	Notes
Income			
Program Income		Program income is based on hotels' projections that 2020 will be a stronger year than 2019. These estimates still add up to less than 2019 projected income - but show growth from 2019 approved budget.	
Butte County	\$ 8,000.00		
Chico	\$ 630,000.00	Comfortable with this number because of increased inventory to increase area ADR (HIE)	
Oroville	\$ 200,000.00	Oroville market share has grown.	
Paradise	\$ 12,000.00	Expectation that at least Best Western Paradise Hotel will open in February of 2020.	
Total Program Income	\$ 850,000.00		
	\$ -		
Other Types of Income	\$ -		
CTA Registrations	\$ 5,000.00	Projected 200 registrations in 2020. Cost is \$25/ea. There are special rates for large groups and may effect this number.	200 @ \$25 /ea
CTA Renewal Fees	\$ 450.00	Those who renew their certification from 2019 will pay a renewa fee of \$15/ea.	30 @ \$15/ea
Visitor Guide Advertising	\$ 10,000.00	VG will still have very limited opportunities for advertising placement, but will be available for the 2021 VG. Advertising income will pay for VG printing.	10 pages @ \$1,000/ea
Non-Lodging Participation	\$ 7,000.00	Restaurant and Museums participating in events - to be spent on Advertising line item	
Co-Op Advertising Income	\$ 5,000.00	Income collected from partners who want to be a part of a larger ad EBC is participating in - like California Visitors Guide.	
Interest Income	\$ -		
Total Other Types of Income	\$ 27,450.00		
	\$ -		
Cost of Goods Sold (2% admin fee)	\$ -	The admin fee is removed from the total TBID payment by jurisdiction administration prior to it coming to EBC. The COGS is built back into the budget so we can track the true program income.	
Butte County	\$ 160.00		
Chico	\$ 12,600.00		
Oroville	\$ 4,000.00		
Paradise	\$ 240.00		
CTA renewal paid to Mickey	\$ 300.00	have to pay Mickey \$10 for every renewal through the program	
Total COGS	\$ 17,300.00		
	\$ -		
Gross Profit	\$ 860,150.00		
	\$ -		
Expense	\$ -		
Sales and Marketing Expense (70% - \$595,000)	\$ -		
Advertising	\$ 131,000.00		
Capitol Display	\$ 1,500.00	Line item for updating the display at the Capitol	

Description of Line Items

Conferences	\$	15,000.00	Sales Missions - IMM, any place we have a booth to sell Butte County - and all travel related to that item	
Creative Services	\$	131,000.00	Break out budget attached.	
CTA Program	\$	20,150.00	annual renewal fee + registration fees, quarterly fieldtrips & incentives	
Dues and Memberships	\$	4,000.00		
Marketing contracts	\$	-		
Porter Co Agencies	\$	373,000.00	\$372,980 - Pco budget already approved	
Jack Rabbit	\$	12,000.00	annual renewal fee	
Public Relations	\$	48,000.00	Contract agency to manage PR, includes writing, pitching, hosting.	\$3,000/mo baseline
CrowdRiff	\$	13,000.00	annual renewal fee	
<i>Total Marketing Contracts</i>				
	\$	-		
Meals	\$	3,000.00		
Payroll Expense	\$	-		
Employee Wages	\$	123,550.00	Based on 3 full time employees	
Payroll Tax Expense	\$	11,800.00		
WC Insurance	\$	1,260.00		
Health Insurance	\$	14,890.00	Addition of health care: \$500/ee/month	
<i>Total Payroll Expense</i>				
Postage	\$	4,000.00	Added to Sales & Marketing - we are mailing a lot of visitors guides and brochures	
Printing	\$	30,000.00	visitors guides, maps, brochures	
Public Relations	\$	52,000.00	\$10K/quarter to host large FAM group coordinated by EBC. Should leave budget for incremental hosting of influencers	
State Fair Exhibit	\$	5,000.00	v2 - State Fair will be creating ALL county exhibits. This line item will allow us to participate with additional swag, messaging, giveaway, etc. NO booth production	
Website	\$	12,000.00	ongoing management and fees	
Sales and Marketing Expense - Other	\$	10,000.00		
Total 6000 - Sales and Marketing Expense	\$	1,016,150.00		
	\$	-		
Zone and Micro-Marketing (10%)	\$	-		
Outside Contract Services	\$	115,000.00	Allocating fees in zone marketing so it can be spent each year from what was earned in previous year.	
	\$	-		
Administration Expenses (15% - \$127,500)	\$	-		
Advertising	\$	750.00	Job recruitment, generally.	
Bank fees	\$	100.00		
Conference, convention, meetings	\$	8,000.00	Denero travel to industry conventions and meetings: Visit CA board meetings, Cal Travel, DMA West, etc.	
Contract services	\$	1,250.00		
Education	\$	5,000.00	Continuing education for staff	

Description of Line Items

Filing fees, taxes	\$	100.00	
General Administration	\$	70,000.00	\$10,000 regular line item, added \$60,000 for strategic planning facilitation
Insurance	\$	3,000.00	Business insurances, not health insurance
Meals	\$	1,000.00	
Membership dues	\$	1,000.00	
Miscellaneous	\$	-	
Office supplies	\$	2,400.00	
Postage	\$	500.00	office postage, not marketing materials
Printing and Copying	\$	1,000.00	
Professional fees - accounting	\$	18,000.00	
Professional fees - legal	\$	57,500.00	Civitas Fees for Renewal included here
Promotion	\$	100.00	
Rent/Office Space	\$	15,000.00	
Payroll Expense	\$	-	
Employee Wages	\$	40,620.00	
Payroll Tax Expense	\$	3,860.00	
WC Insurance	\$	450.00	
Health Insurance	\$	4,400.00	
<i>Total Payroll Expense</i>			
Subscriptions	\$	3,000.00	
Telephone, Telecommunications	\$	2,400.00	
Travel	\$	2,070.00	Mileage.
Administration Expenses - Other	\$	1,000.00	
Total Administration Expense	\$	242,500.00	
	\$	-	
Contingency (3%)			This is not an expense item. We do not spend these dollars in case they are necessary to cover a shortfall.
	\$	-	
Total Expense	\$	1,373,650.00	
	\$	-	
Net Ordinary Income	\$	(513,500.00)	Net negative budget to spend unrestricted net assets

Advertising Detail - DRAFT 2020 v1

			Base Budget	Notes	From "Other Income"	From "Equity"	Final Budget
		Advertising	\$ 75,000.00		\$ 12,000.00	\$ 44,000.00	\$ 131,000.00
		Print Ads					
		Official California Visitors Guide - full page ad	\$ 30,200.00	already committed			
		Shasta Cascade Visitor Guide - full page ad?	\$ 3,000.00				
		VIA - 4 print advertorials (1 per season)	\$ 31,500.00	3 @ \$8,500 ea / 1 @ \$6,500 - \$0 for bonus e-blast sponsored content - already committed			
		credit for VIA from Pco	\$ (23,000.00)				
		CN&R - Discover Butte County?	\$ 3,700.00				
		Road Trip Guide - Visit CA?	\$ 6,000.00				
		Digital					
		In-house social media	\$ 24,000.00	\$1,500/mo for boosting and FB ads; \$6,000 to be used across the year for quarterly contests, giveaways, etc.			
		Events/Programs					
		Restaurant Week	\$ 10,000.00				
		Museum Weekend	\$ 10,000.00				
		Snow Goose	\$ 5,000.00				
		Velo Wildflower	\$ 5,000.00				
		SOFT	\$ 5,000.00				
		1 more county-wide event	\$ 5,000.00				
		Other					
		Tourism Summit - Sponsorship	\$ 8,000.00				
		KZFR - radio ads/event	\$ 1,200.00				
		Tourism Summit - advertising	\$ 4,000.00				
		CTA advertising - need people to register	\$ 2,000.00				
		Total	\$ 130,600.00				
		Other projects to consider - owning our TripAdvisor Page.					

Creative Detail - DRAFT 2020 v1

			Base Budget	Notes	From "Other Income"	From "Equity"	Final Budget
Creative Services			\$ 36,000.00			\$ 95,000.00	\$ 131,000.00
	Annual Projects						
		Content Writers - web & print	\$ 18,000.00	7-10 pieces month. Outdoor content. Live like a local. Visitor guide.			
		Photography	\$ 12,000.00	\$1,000/mo for photography as needed			
		Videography	\$ 16,000.00	\$4,000 per quarter			
		Graphic Design	\$ 15,000.00	various designers - in house ads, map edits, brochures, print ads			
		Visitor Guide update	\$ 20,000.00	already have estimate from Pco			
	New Project						
		YouTube Channel	\$ 50,000.00	5 tour guides, 3-5 videos/yr/ea @ \$2,000 ea piece (\$60K - \$80K)			
		Total	\$ 131,000.00				

Porter Co Detail - DRAFT 2020 v1

		Base Budget	Notes	From "Other Income"	From "Equity"	Final Budget
		\$ 175,000.00	\$372,980 - Pco budget already approved		\$ 198,000.00	\$ 373,000.00
Agency						
	Porter Co					
	Content Strategy	\$ 6,480.00				
	Creative - asset collection & curation	\$ 40,000.00				
	Digital Campaigns	\$ 110,000.00				
	Special Event Partnerships	\$ 48,000.00				
	AdWords	\$ 60,000.00				
	Print	\$ 23,600.00				
	Public Relation	\$ 12,000.00				
	Project Management	\$ 72,900.00				
	Total	\$ 372,980.00				

Breakdown:

21.3% being spent on strategy and project management (\$79,380)

10.7% being spent on creative (\$40,000)

64.8% being spent on advertising (\$241,600)

3.2% being spent on PR (\$12,000)



Explore Butte County
P.O. Box 2154
Chico, CA 95927

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Melissa Schuster
Paradise

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Oroville

EXPLORE BUTTE COUNTY – MARKETING COMMITTEE

EBC Office – 326 Huss Drive, Chico, 95928

Small Board Room

Thursday, November 27, 2019

12:00pm – 1:00pm

MINUTES

PRESENT:

Nicole Johansson, John Pearson, Bruce Spangler, Dori Franklin, Melissa Schuster, Tony Catalano, Carolyn Denero. Shelly James (PorterCo) via conference call.

ABSENT:

Jennifer Leonard

AGENDA

1. Madden Media campaign update – The “[picture perfect](#)” story is live on the EBC website. There are still edits being made on the “as the sun rises” story but should be up soon. Each campaign will run for 3 months and is targeting a larger area than EBC normally markets to – it will include the central valley down to Fresno.
2. Research & Data
The committee reviewed the proposals and information attached in committee packet. Committee agreed that research is vital as we move into renewal and strategic planning. We need to make sure we are marketing to the right audience and to determine the value of our visitors.
 - a. [Proposal from CED](#)
 - i. California “hotspots”
 - ii. Value of a visitor

At this point the committee would like to move forward with a portion of the proposal from CED (Center for Economic Development) to define “look alike” demographics within California. The purpose of this data is to determine if there are other like-markets whose population would have an affinity for Butte County because of the culture and assets we have to offer. The committee would like to widen the scope to include Oregon

and Nevada as well.

The “value of a visitor” which would require a longer look and surveying visitors is of interest but committee would like more information to determine how we would use the data. There is an option to collect data from hotel guests by using a survey. Hotels could include the survey information on their key-card holders, have a collection spot in their lobbies, etc. Could put together a drawing to encourage more entries. Regarding the survey period, could we collect data for only half of the year, January – June. Committee would like clarification from CED about what this collection would capture and how we would be able to use it. Denero to follow up and bring back to committee.

b. [DMA West](#)

i. Value of a visitor guide

The committee feels that it is too soon to participate in this study. The EBC visitors guide was only just released and we don’t know that this data would be the most important for the cost.

3. Public Relations RFP

- a. Item was tabled – Denero has not put together the draft yet. The draft will include both local PR and destination PR.

4. Strategic Planning (review Resonance ideas)

- a. Identify if this is a marketing committee discussion or board discussion
- b. If marketing committee – identify the scope of an RFP

The committee agrees that there is a need for planning as we move into 2020. Specifically EBC needs to have a long term strategy that incorporates all key stakeholders and elevates EBC into a Destination Management Role – which offers more than just marketing services for the area. If that is to happen, we need to have a road map to determine who/what we are going to be long term. Denero directed to review the original RFP for strategic planning services that was used when the BCTBID was formed. As an addendum to that scope of work, a shorter-term strategic marketing plan should be included.

In addition to this longer look at strategy, the Board should have another strategic planning session that includes setting short term goals that can be accomplished to meet our longer-term goals. This recommendation to be taken to the full board for discussion and approval.

5. Brainstorm “big ideas” for 2020 and budget implications

- a. YouTube project
Proposal to “tell” the EBC story by working with various



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personalities and develop out the YouTube channels with local voices. The 2020 budget includes this project expense.

- b. Event – Did not discuss this option

Next meeting scheduled for Wednesday, December.

Adjourn Meeting