



Business Improvement District No. 1 Board Agenda

4:00 p.m. Meeting

Tuesday, November 5, 2019

2nd Floor Large Conference Room - City Hall

25 Center Street

Vermillion, South Dakota 57069

1. **Call to Order**
 - a. Roll Call

2. **Minutes**
 - a. July 7, 2019

3. **Adoption of the Agenda**

4. **Visitors to Be Heard**

5. **Old Business**

6. **New Business**
 - a. Report on 2019 BID receipts
 - b. Report on upcoming events

7. **Adjourn**

Unapproved Minutes
City Of Vermillion
Business Improvement District No. 1 Board
July 17, 2019
Wednesday– 3:00 p.m.

The meeting of the City of Vermillion Business Improvement District No. 1 Board was called to order on Wednesday, July 17, 2019 at 3:00 p.m. at the City Hall second floor conference room by Chairman David Herbster.

1. Roll Call

Present: Amy Christensen, David Herbster, Bill Marketon, Dan Kenton
Also Present: Nathan Welch, John Prescott, Megan Davidson

Absent: Greg Huckabee,

2. Minutes

A. Minutes of March 5, 2019

4-19

Dan Kenton moved approval of the March 5, 2019 minutes. Amy Christensen seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

3. Adoption of Agenda

5-19

Amy Christensen moved approval of the agenda. Dan Kenton seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

4. Visitors to be Heard - None

5. Old Business - None

6. New Business

A. Introduction of Megan Davidson, Tourism Coordinator

Nate Welch, Executive Director of the VCDC, introduced Megan Davidson who is the Director of Strategic Communications & Tourism with the VCDC. Megan reviewed her background and experience that she is bringing to the position.

B. Election of Officers

Chairman Herbster stated that this is the meeting where a Chairman and Vice-Chairman will need to be elected. Discussion followed on the officers.

6-19

Dave Herbster moved that the officers remain the same for the upcoming year with Dave Herbster as Chairman, Greg Huckabee as Vice-Chairman and Amy Christensen as Secretary. Bill Marketon seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

C. Report on 2019 BID receipts

John Prescott, City Manager, reported the BID receipts through five months were \$20,752 up \$826 over the same period of 2018. Discussion followed noting that May 2019 receipts were down compared to 2018 with graduation and the Special Olympics. Bill Marketon noted that June and July look good for his establishment.

D. Report on upcoming events

Nate Welch, Executive Director of VCDC, reviewed recent activities and upcoming items of Ribs Rods & Rock n Roll that will again have the USD big screen downtown and students coming back. Dave Herbster stated with the renovation to the Dakota Dome the State Football Playoffs will not be here in November but there is a contract with the High School Association to host the playoffs thru 2026. It was also noted that with the construction there will not be a Farm Show in the Dome in January 2020 but that it will be returning January 5-7, 2021. Dave reported that USD will be hosting the Summit League Outdoor Track Championships May 13-16, 2020.

E. Review of Budget for 2020

John Prescott reviewed the 2020 proposed budget for BID #1. Discussion followed.

7-19

Dan Kenton moved to recommend to the City Council the budget as presented for 2020. Amy Christensen seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

Dave Herbster requested to have a report of all VCDC events for the next meeting which then could be provided to the hospitality folks collecting the BID fee. Discussion followed on hiring a consultant to complete a strategic marketing plan for tourism noting that this could be something to consider in future years but not at this time.

7. Adjourn

8-19

Dan Kenton moved to adjourn the meeting at 3:42 p.m. Bill Marketon seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

Dated at Vermillion, South Dakota this 17th day of July, 2019.

City of Vermillion
Business Improvement District Board

David Herbster, Chairman

Attest:

Amy Christensen, Secretary

City of Vermillion
Business Improvement District Number 1

Actual For 2014, 2015, 2016, 2017, 2018, YTD 2019 and Adopted Budget 2020

	Actual <u>2014</u>	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Actual <u>2018</u>	Budget <u>2019</u>	Collections Year to 30-Oct <u>2019</u>	Budget <u>2020</u>
Revenues:								
BID #1 Revenues	39,858	59,306	52,328	53,678	59,044	65,000	45,006	65,000
Expenses:								
Promotion & Marketing	15,000	50,410	44,482	45,626	50,911	63,700	44,106	63,700
Marketing Study	-	-	2,500	-				
All Star/Fireball Run promoti	-	-	10,000	10,000 *				
Collection	<u>797</u>	<u>1,119</u>	<u>1,114</u>	<u>1,074</u>	<u>1,181</u>	<u>1,300</u>	<u>900</u>	<u>1,300</u>
Total Expense	<u>15,797</u>	<u>51,529</u>	<u>58,096</u>	<u>56,700</u>	<u>52,092</u>	<u>65,000</u>	<u>45,006</u>	<u>65,000</u>
Revenue over Expenses	<u>24,061</u>	<u>7,777</u>	<u>(5,768)</u>	<u>(3,022)</u>	<u>6,952</u>	<u>-</u>	<u>-</u>	<u>-</u>
Projected Reserve Balance								
Year end	<u><u>24,061</u></u>	<u><u>31,838</u></u>	<u><u>26,070</u></u>	<u><u>23,048</u></u>	<u><u>30,000</u></u>	<u><u>30,000</u></u>	<u><u>30,000</u></u>	<u><u>30,000</u></u>

* Amount recommended for All Star Game/Fireball Run of \$12,500 with City Council funding \$2,500 from BBB leaving balance of \$10,000 from BID.

Promotion & Marketing is 85% of net revenue to VCDC until a balance of \$30,000 is established then the net revenue to VCDC.

2018 collections through May were \$19,926 so 2019 has an increase \$826 just over 4% for the five months.

City of Vermillion
Business Improvement District Number 1 Receipts
Monthly Summary for 2014 to 2019

Summary 2014

	June	July	August	September	October	November	December	Total
Total Room subject to tax	3,118	3,291	2,936	3,104	3,292	2,429	1,759	19,929
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 6,236	\$ 6,582	\$ 5,872	\$ 6,208	\$ 6,584	\$ 4,858	\$ 3,518	\$ 39,858
Percentage Occupancy	52.76%	53.89%	48.08%	52.52%	53.91%	41.10%	28.80%	

Summary 2015

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Room subject to tax	1,832	1,740	2,378	2,434	2,623	3,109	3,343	2,729	2,689	2,698	2,400	1,678	29,653
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 3,664	\$ 3,480	\$ 4,756	\$ 4,868	\$ 5,246	\$ 6,218	\$ 6,686	\$ 5,458	\$ 5,378	\$ 5,396	\$ 4,800	\$ 3,356	\$ 59,306
Percentage Occupancy	30.00%	31.54%	38.94%	34.38%	42.95%	52.61%	54.74%	44.69%	45.50%	44.18%	40.61%	27.48%	
The V											renovation	renovation	
Increase (Decrease) over prior year						\$ (18)	\$ 104	\$ (414)	\$ (830)	\$ (1,188)	\$ (58)	\$ (162)	
Percentage Change						-0.29%	1.58%	-7.05%	-13.37%	-18.04%	-1.19%	-4.60%	

Summary 2016

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Room subject to tax	1,766	1,360	1,741	2,111	2,373	2,475	2,954	2,713	2,212	2,649	2,229	1,581	26,164
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 3,532	\$ 2,720	\$ 3,482	\$ 4,222	\$ 4,746	\$ 4,950	\$ 5,908	\$ 5,426	\$ 4,424	\$ 5,298	\$ 4,458	\$ 3,162	\$ 52,328
Percentage Occupancy	28.92%	22.27%	28.51%	34.57%	38.86%	41.88%	41.88%	44.42%	37.43%	43.38%	37.72%	25.89%	36.02%
The V	renovation	renovation	renovation	renovation									
Large Three Occupancy	30.95%	24.75%	33.04%	40.65%	46.24%	48.23%	54.11%	50.26%	43.66%	51.77%	44.33%	32.01%	41.67%
Small Three Occupancy	23.79%	16.01%	17.11%	19.24%	20.28%	25.89%	33.93%	29.72%	21.73%	22.24%	21.07%	10.48%	21.79%
Increase (Decrease) over prior year	\$ (132)	\$ (760)	\$ (1,274)	\$ (646)	\$ (500)	\$ (1,268)	\$ (778)	\$ (32)	\$ (954)	\$ (98)	\$ (342)	\$ (194)	\$ (6,978)
Percentage Change	-3.60%	-21.84%	-26.79%	-13.27%	-9.53%	-20.39%	-11.64%	-0.59%	-17.74%	-1.82%	-7.13%	-5.78%	-11.77%

Summary 2017

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Room subject to tax	1,862	1,596	1,722	2,117	2,224	2,973	3,040	2,432	2,650	2,502	2,092	1,629	26,839
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 3,724	\$ 3,192	\$ 3,444	\$ 4,234	\$ 4,448	\$ 5,946	\$ 6,080	\$ 4,864	\$ 5,300	\$ 5,004	\$ 4,184	\$ 3,258	\$ 53,678
Percentage Occupancy	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	49.78%	39.82%	44.84%	40.97%	35.40%	26.67%	44.76%
Large Three Occupancy	38.66%	36.52%	34.45%	43.31%	43.35%	62.46%	61.06%	39.82%	52.32%	48.57%	44.16%	32.62%	54.55%
Small Three Occupancy	9.91%	9.82%	12.44%	16.96%	18.95%	19.70%	21.37%	19.18%	26.01%	21.83%	13.33%	11.69%	20.12%
Increase (Decrease) over prior year	\$ 192	\$ 472	\$ (38)	\$ 12	\$ (298)	\$ 996	\$ 172	\$ (562)	\$ 876	\$ (294)	\$ (274)	\$ 96	\$ 1,350
Percentage Change	5.44%	17.35%	-1.09%	0.28%	-6.28%	20.12%	2.91%	-10.36%	19.80%	-5.55%	-6.15%	3.04%	2.58%

Summary 2018

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Room subject to tax	1,918	1,600	1,711	2,063	2,671	2,734	3,157	3,110	3,096	3,378	2,575	1,509	29,522
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 3,836	\$ 3,200	\$ 3,422	\$ 4,126	\$ 5,342	\$ 5,468	\$ 6,314	\$ 6,220	\$ 6,192	\$ 6,756	\$ 5,150	\$ 3,018	\$ 59,044
Percentage Occupancy	31.41%	29.01%	28.02%	34.91%	43.74%	46.26%	51.69%	50.93%	52.39%	55.31%	43.57%	24.71%	48.92%
Large Three Occupancy	40.24%	37.82%	35.96%	43.12%	52.53%	54.63%	59.41%	57.26%	59.88%	61.91%	48.61%	30.52%	57.81%
Small Three Occupancy	9.16%	6.82%	8.01%	14.23%	21.60%	25.18%	32.26%	34.97%	33.51%	38.71%	30.89%	10.08%	26.54%
Increase (Decrease) over prior year	\$ 112	\$ 8	\$ (22)	\$ (108)	\$ 894	\$ (478)	\$ 234	\$ 1,356	\$ 892	\$ 1,752	\$ 966	\$ (240)	\$ 5,366
Percentage Change	3.01%	0.25%	-0.64%	-2.55%	20.10%	-8.04%	3.85%	27.88%	16.83%	35.01%	23.09%	-7.37%	10.00%

Summary 2019

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Room subject to tax	1,873	1,806	2,181	2,293	2,223	3,049	3,404	2,874	2,800				22,503
Occupancy tax rate	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total Occupancy tax for month	\$ 3,746	\$ 3,612	\$ 4,362	\$ 4,586	\$ 4,446	\$ 6,098	\$ 6,808	\$ 5,748	\$ 5,600	\$ -	\$ -	\$ -	\$ 45,006
Percentage Occupancy	30.67%	32.74%	35.71%	38.80%	36.40%	51.59%	55.74%	47.06%	47.38%				
Large Three Occupancy	39.65%	43.74%	45.87%	48.04%	43.35%	64.52%	67.90%	56.28%	59.20%				
Small Three Occupancy	8.06%	5.04%	10.14%	15.54%	18.89%	19.05%	25.12%	23.85%	17.62%				
Increase (Decrease) over prior year	\$ (90)	\$ 412	\$ 940	\$ 460	\$ (896)	\$ 630	\$ 494	\$ (472)	\$ (592)	\$ (6,756)	\$ (5,150)	\$ (3,018)	\$ (14,038)
Percentage Change	-2.35%	12.88%	27.47%	11.15%	-16.77%	11.52%	7.82%	-7.59%	-9.56%	-100.00%	-100.00%	-100.00%	-23.78%