



Business Improvement District No. 1 Board Agenda

4:00 p.m. Meeting

Thursday, February 13, 2020

2nd Floor Large Conference Room - City Hall

25 Center Street

Vermillion, South Dakota 57069

1. **Call to Order**
 - a. Roll Call
2. **Minutes**
 - a. November 5, 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
November 5, 2019
Tuesday– 4:00 p.m.

The meeting of the City of Vermillion Business Improvement District No. 1 Board was called to order on Tuesday, November 5, 2019 at 3:00 p.m. at the City Hall second floor conference room by Vice-Chairman Greg Huckabee.

1. Roll Call

Present: Amy Christensen, Greg Huckabee, Bill Marketon,
Also Present: Nathan Welch, John Prescott, Megan Davidson, Mike Carlson

Absent: David Herbster, Dan Kenton

2. Minutes

A. Minutes of July 7, 219

9-19

Bill Marketon moved approval of the July 7, 2019 minutes. Amy Christensen seconded the motion. Motion carried 3 to 0. Vice-Chairman Huckabee declared the motion adopted.

3. Adoption of Agenda

10-19

Amy Christensen moved approval of the agenda. Bill Marketon seconded the motion. Motion carried 3 to 0. Vice-Chairman Huckabee declared the motion adopted.

4. Visitors to be Heard - None

5. Old Business

Bill Marketon asked Nate Welch if the VCDC Board had any feedback on his request for some type of assistance with the credit card charges in collecting the BID fee that amount to over \$300 per year. Nate Welch, VCDC Executive Director, reported that the Board reviewed the request but, as the BID revenues are used to promote the community that is to the benefit of the hospitality industry, no change in fees was approved. Nate reported that the motels are all listed in the center pages of the Visitor's Guide and will include information on the motels in the VERB. Bill noted that he would pass this along to the other motel owners.

6. New Business

A. Report on 2019BID receipts

Mike Carlson, Finance Officer, reported that BID receipts for nine months are up \$886 or 443 rooms or just over a 2% increase over 2018. Mike stated that the total motel occupancy for the nine-month period is 41.79% up over 1% over 2018 with the large three motels at 52.06% compared to 49.06% in 2018. Mike noted that the three small motels occupancy is at 15.92% for 2019 compared to 20.63% for the same time period in 2018. Discussion followed on the occupancy noting that this is with the DOME under construction.

B. Report on upcoming events

Nate Welch, VCDC Executive Director, provided a handout of the Calendar of Events for the rest of 2019 and for the events that are currently scheduled in 2020. Nate also reported that the new VCDC web site should be rolled out in December or January. Nate reported that the VermillionNOW!3 goal was \$1.725 million and to date over \$2.1 million has been pledged. Nate reported on conference recruitment, collaboration with USD Marketing and efforts to grow existing events. Nate reported on the holiday season promotion including Small Business Saturday. Discussion followed on the calendar and events.

John Prescott, City Manager, reported that the next meeting will be after the first of the year and usually notice is made to motel owners to attend the meeting.

7. Adjourn

11-19

Amy Christensen moved to adjourn the meeting at 4:32 p.m. Bill Marketon seconded the motion. Motion carried 3 to 0. Vice-Chairman Huckabee declared the motion adopted.

Dated at Vermillion, South Dakota this 5th day of November, 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, 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>	Actual <u>2019</u>	Budget <u>2020</u>
Revenues:								
BID #1 Revenues	39,858	59,306	52,328	53,678	59,044	65,000	58,506	65,000
Expenses:								
Promotion & Marketing	15,000	50,410	44,482	45,626	50,911	63,700	57,336	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>1,170</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>58,506</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>24,061</u>	<u>31,838</u>	<u>26,070</u>	<u>23,048</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</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.

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%	41.03%
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%	48.55%
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%	22.12%
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	2,922	2,231	1,597	29,253
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	\$ 5,844	\$ 4,462	\$ 3,194	\$ 58,506
Percentage Occupancy	30.67%	32.74%	35.71%	38.80%	36.40%	51.59%	55.74%	47.06%	47.38%	47.85%	37.75%	26.15%	40.65%
Large Three Occupancy	39.65%	43.74%	45.87%	48.04%	43.35%	64.52%	67.90%	56.28%	59.20%	61.11%	47.75%	33.88%	50.94%
Small Three Occupancy	8.06%	5.04%	10.14%	15.54%	18.89%	19.05%	25.12%	23.85%	17.62%	14.46%	12.56%	6.68%	14.75%
Increase (Decrease) over prior year	\$ (90)	\$ 412	\$ 940	\$ 460	\$ (896)	\$ 630	\$ 494	\$ (472)	\$ (592)	\$ (912)	\$ (688)	\$ 176	\$ (538)
Percentage Change	-2.35%	12.88%	27.47%	11.15%	-16.77%	11.52%	7.82%	-7.59%	-9.56%	-13.50%	-13.36%	5.83%	-0.91%