

Nebraska Tourism Commission Meeting
May 3, 2016 – 1:00 pm
Omaha's Henry Doorly Zoo and Aquarium - Omaha, NE

Commission Chair John Chapo called the meeting to order at 1:05 pm.

Commissioners present: John Chapo, Lincoln Children's Zoo; Roger Dixon, MECA of Omaha; Deb Loseke, Columbus/Platte County CVB; Roger Jasnoch, Kearney Visitors Bureau; Lisa Burke, North Platte CVB; Carol Schlegel, Red Willow County Tourism; Jeff Boeka, Holiday Inn Express Hotel & Suites of North Platte; Roger Kuhn, Nebraska Game and Parks Commission.

Commission staff present: Kathy McKillip, Heather Hogue, Angela White, Jenn Gjerde, Micheal Collins, Alex Duryea, Lisa Karnatz

Public Comment signed-in: Todd Kirshenbaum of York, Kim Kwapnioski of Norfolk.

Approval of Meeting Agenda

Roger Jasnoch motioned to amend the agenda, removing agenda item 4b. Jeff Boeka seconded the motion. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Roger Dixon motioned to approve the agenda. Lisa Burke seconded the motion. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Open Comment Period for Items on the Agenda

John Chapo, Commission Chair opened the public comment period at 1:09 pm. Comments presented:

- Todd Kirshenbaum spoke in support of the Media Tours.
- Kim Kwapnioski spoke in support of the Media Tours.

With no additional members of the public coming forward, John Chapo closed the Public Comment Period at 1:10 pm.

Approval of February 24, 2016 Meeting Minutes

Roger Dixon motioned to approve meeting minutes from February 24, 2016. Deb Loseke seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Financial Update and Finance Committee Report

Deb Loseke, Commission Treasurer, noted the Commission is currently at 71.4% of its cash-fund budget, and advised Commissioners the handouts distributed in their meeting packets include the current budget status report, grant encumbrances, marketing expense breakdown and general ledger report, list of upcoming budget expenses for consideration through end of this fiscal year (June 30, 2016), and current FY2015-2017 Biennial Budget of the Commission. Deb Loseke noted the Finance Committee would be meeting soon to discuss the FY2017-2019 Biennial Budget Request to present a draft to the full Commission for approval at the August meeting. Roger Dixon motioned to approve financials as presented. Jeff Boeka seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Craig Kubicek, Assistant Deputy of Nebraska Auditor of Public Accounts, presented an overview of the Attestation Report of the Nebraska Tourism Commission issued April 29, 2016 for the period of January 1, 2015 through December 31, 2015. The report summary noted deficiencies with photo shoot expenses from summer 2015, Tourism Conference expenses, over-budget contracts not

following purchase order procedure, benefits from contractors, employee moving expenses, control environment issues, state visitors promotion cash fund budget concerns, failing to meet state aid earmarks, grant procedure critiques, travel-related expenses and lack of documentation, accounting coding issues, adopting agency rules and regulations, statutory requirements of the agency strategic plan, depositing revenues timely, utilizing a third-party payment processor for conference registrations, merchandise promotions, access to Enterprise One, and monitoring status of seasonal staff. John Chapo noted that the Commissioners take the audit findings very seriously, and he has appointed a committee to review the audit findings consisting of Commissioners Loseke, Moody, Schlegel and Burke. Roger Kuhn motioned the Commissioners enter into closed Executive Session to discuss the audit findings. Lisa Burke seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed and members of the public were excused at 1:54pm. Assistant Attorney General Natalee Hart remained in the closed Executive Session. Roger Dixon motioned to exit Executive Session at 2:30pm. Lisa Burke seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Chairman's Report

John Chapo noted some Commissioner's took part in the recent Nebraska Tourism Commission Town Hall Meetings across the state on April 26-28, 2016. Although some meetings were unfortunately cancelled due to inclement weather conditions, Roger Kuhn noted the meetings were a good opportunity to listen to the public comments and share ideas, gather feedback and establish partnerships. Roger Jasnoch noted the next Town Hall Meeting will be held May 19th in Lexington, and recommended additional time be allowed to accept public comments at the meeting. John Chapo thanked all Commissioners who participated in the recent Town Hall Meetings.

Kathy McKillip noted the handout of the draft Request for Proposal (RFP) for the Commission to seek proposals to create the economic impact model for the state. Kathy McKillip noted the RFP would need to be submitted to the Department of Administrative Services (DAS) to post as soon as possible, with the goal of having the impact model in place to submit to the Appropriations Committee by their December 2016 deadline. Roger Dixon motioned to assign the RFP to the Commission Finance Committee to review. Roger Kuhn seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Roger Dixon motioned to table the discussion of the election of the Commission Executive Committee until the August meeting. Roger Jasnoch seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Commission Committee Reports

2016 Conference Committee – Lisa Burke noted the committee has a good slate of speakers planned for this fall's conference, planning is continuing.

Best Practices and Guiding Principles Committee – Deb Loseke noted nothing new to report.

NETA Legislative Update – Roger Jasnoch reviewed recent legislative bills NETA was monitoring and thanked Andy Pollock for his representation as NETA lobbyist.

Tourism Marker Committee – Roger Jasnoch provided a handout of the latest draft of a Tourism Marker Application, he expects more information to be available by the next meeting from Nebraska Department of Roads regarding the number of roadway turnouts that could be placed annually.

Marketing Committee – Roger Dixon opened discussion of the Commission's media tours. Lisa Burke motioned to move forward with media tours as they have been in the past, contracted through Swanson Russell, and to commit to hosting up to 4 media tours in the next fiscal year.

(July 1, 2016 – June 30, 2017) at a rough cost estimate of approximately \$240,000 total for all 4 tours. (Cost estimate provided by Dave Wegener of Swanson Russell.) Roger Jasnoch seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

2.0 Marketing Phase – Kathy McKillip noted that Bailey Lauerman staff is presenting the next phase of marketing to the group, and that Rich Claussen had recently resigned from Bailey Lauerman as the Commission's lead account representative. Abbey Johnson of Bailey Lauerman distributed her bio to the Commissioners, noting she will be the newly assigned lead account representative. Bailey Lauerman staff presented their marketing concept of "Through my Eyes," a campaign utilizing storytellers as ambassadors of "Nebraska Nice." The campaign could potentially include local Nebraskans, famous Nebraskans, and even famous fans of Nebraska who are passionate about the state. Concepts include "an unexpected view" through strategically placed tower viewers allowing visitors to look inside for a 360-degree video of Nebraska destinations and Google Cardboard Apps with 360-degree view content. Bailey Lauerman staff told the Commissioners the marketing concept is just beginning to take off in popularity and has become more user-friendly. Statistics were shared providing return-on-investment figures, website usage and social media acquisitions. Website users have increased 61% from March of 2015. The group discussed the importance and impact of sports marketing. Roger Dixon motioned to approve the 2.0 Marketing Phase as presented. Deb Loseke seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

2017 Solar Eclipse Sponsorship Request – Roger Dixon noted the handout and recent presentation given to the Commission Marketing Committee for consideration. Kathy McKillip noted the Commission has researched advertising rates and advertorial opportunities in the appropriate publications to begin promoting the eclipse beginning this August 2016. The request from the Eclipse Coalition is for the Commission to dedicate \$50,000 in advertising dollars to promote the eclipse. Jeff Boeka motioned for the Commission to promote the 2017 Solar Eclipse through \$50,000 in advertising promotions. Carol Schlegel seconded. Roll call vote - Commissioners in favor: Boeka, Dixon, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Burke, Chapo, Jasnoch. Motion passed.

2016 U.S. Olympic Swim Trials Request – The Omaha Sports Commission has requested \$150,000 from the Commission for the upcoming 2016 U.S. Olympic Swim Trials. Lisa Burke motioned to approve the sole source contract for \$150,000 to the Omaha Sports Commission for the 2016 U.S. Olympic Swim Trials. Roger Jasnoch seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo, Dixon. Motion passed.

Director's Report

Kathy McKillip introduced staff present at the meeting included Jenn Gjerde, Angela White, Lisa Karnatz, Alex Duryea, Micheal Collins and Heather Hogue and noted the staff quarterly reports are included in the Commissioner's handouts. The 2016 Nebraska Passport Program just kicked off on May 1, booklets were provided to Commissioners. Kathy McKillip noted the Commission will be partnering with Department of Administrative Services (DAS) to meet the Commission's accounting needs, human resources needs, and segregation of duties requirements. The cost of contracting with DAS would not exceed \$25,000 per year. Kathy noted upcoming events such as the U.S. Olympic Swim Trials and College World Series and looks forward to marketing additional events throughout the state.

Grant Updates

Heather Hogue noted the Commission recently awarded \$155,420 funding in Community Impact Grants in April 2016. The Tourism Marketing Grant applications will be reviewed soon and announced as scheduled on May 18, 2016. The group discussed increasing the cap of individual

grant projects to insure the allocated state aid funds could be awarded within the next fiscal year. Deb Loseke motioned to increase the cap of individual Tourism Marketing Grant projects from \$15,000 to \$25,000 and to increase the cap of individual Community Impact Grant projects from \$100,000 to \$250,000. Lisa Burke seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed.

Roger Dixon motioned to adjourn the meeting at 3:49pm. Roger Jasnoch seconded. Roll call vote - Commissioners in favor: Boeka, Burke, Dixon, Jasnoch, Kuhn, Loseke, Schlegel. Opposed: none. Abstained: Chapo. Motion passed, meeting was adjourned at 3:49pm.

Respectfully submitted by Heather Hogue.