

Excelsior – Lake Minnetonka Chamber of Commerce Monthly Board Meeting – November 18, 2014

1. 6 PM - Call to order – Bill Damberg
2. Attendance – Myra Wang
 - Babcock
 - Bean
 - Damberg
 - Kiefer
 - Lauer
 - Maloney
 - Schwartz
 - Sluis
 - Thompson
 - Wang
 - Wolfson
3. Dave Walsted, Excelsior Park Commission
4. Approval of Nov 18, Agenda
5. Approval of Oct 16, Regular board meeting minutes – see attached
6. President report – Bill Damberg
7. Financial Report – Joe Schwartz
8. Excelsior Downtown Business Group Thursday Discussion report – Joe Schwartz
9. Membership report – Betty
 - a. Online payment report
 - b. Membership update
 - c. Other
10. Executive Director Report – Laura
 - a. Annual Report – distribution
 - b. Firecracker Funding Change request – see attached
 - c. CVB meeting with Wayzata – see attached
11. Program/Event reports
 - a. Event audits – sponsorships, fees, process updates – Laura
 - b. Holiday décor - Betty
12. New Business
 - a. Strategic Plan point - Laura
13. Adjourn

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Excelsior-Lake Minnetonka Chamber Monthly Board meeting minutes October 21, 2014, Tuesday

1. Call to order 6:01pm
2. Babcock, Bean, Damberg, Maloney, Schwartz, Sluis, Thompson, Wang, Wolfson, Hotvet, and Sorensen
3. Intro of Julie and Steve owner of My European treasures. Had discussions about marketing, shared ideas for marketing during Holidays. Handout was passed out. Asking for chamber to front cost of Lake mtka mag ad, possible clear channel board, and paying Autumn for social media. Steve offering ideas of focus groups to help with marketing. See handout. Bill suggests that the Retail committee be the hub for this marketing research project.
4. Angie motions. Sluis seconds.
5. Sluis motions. Angie seconds.
6. Damberg reports that overall pleased where we stand overall financially compared to last year. Apple day was a huge success for us.
7. Year to date overall better than last year. October a little slow, this time of year tends to be slower. In terms of cash coming in May is last positive month.
9. a. went over pros and cons. Security of maintaining banking/cc info was a main concern. QB has an online feature where it hooks into account of customer into our account. Fee is slightly higher but will save on admin work.
b. look at 5% increase or whatever is best for market. Chad makes a motion for 10% membership increase in 2015 including free member lunch for those who pay before Dec. 31st Maloney seconds.
c. 6 members new since last board meeting. New members due up 20% for the month 2014 renewal membership dues up 20.4% compared to 2013.
8. Down to 4 candidates for new board members. Gary Ezell, Nate Stangler, Peggy Stefan, Stephanie Weiss. Nate and Gary are the two individuals that will be on the slate. Joe motions to accept slate. Maloney seconds.

10. Annual report (draft)

- excitement! (500 printed)
- Allegra sponsor/switch for membership
- ISSUU.com to put on website

11. Farmers Market/GNO

- Debbie (amore & fede)
- economic impact
- etc.etc.
- Offered solutions:
- change day?
- change time?
- new event - ENO (Excelsior Night Out)
- bill suggested meeting with GNO and BOD
- Beth - downtown business group and GNO with board at DBG meeting - 8:30 Nov. 4 joint meeting

12.A. Betty - Apple Day Success

- 20 more booths

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- \$16K net - almost double from last year
- expenses down 26.3% from 2013

12. B. Laura - Apple of the Lake

- 455 runners
- sponsors happy!
- 70 people complete series
- tshirts still not right

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Firecracker funding redefine

Dear Laura and the Chamber Board:

In 2014 MCE gladly took over the management of the Firecracker. Thank you for your vote of confidence on this new way of doing business for the Chamber. The partnership was a perfect match and I am sure it will be long in to the future.

MCE was pleased to dig right in and make necessary changes and innovations. MCE initiated countless changes to the Firecracker. These enhancements helped the Firecracker be more than it ever was before. The compliments from the runners were overwhelming after the event. These changes paved the way to meet the ever changing wants and desires of our Firecracker event attendees. I believe we met the challenge in 2014, and will continue to as we move forward. The 2014 participation was hundreds and hundreds more than ever before – of course the beautiful Excelsior weather guarantee on July 4 helped tremendously.

The deal MCE ended up with in 2014 was a three year contract which is great, and we hope for a second contract for another three years. The revenue was split....70% of the gross for MCE, and 30% of the gross for the Chamber. My request is to adjust the 70/30 percentage for the remaining two years with all other current contract language staying as is.

Ø 2015 73% MCE / 27% Chamber

Ø 2016 75% MCE / 25% Chamber

As I look beyond 2016, I am comfortable remaining at 75/25 for the life of the next three-year contract. Thank you for your consideration. Keep up the great work.

Firecracker rational continued....

MCE is already planning and prepping the 2015 Firecracker. Much more to do of course, but we have a great start already. MCE paid the Chamber \$17,835 or 30% of the gross for the 2014 Firecracker. We were happy to do this, and I am sure the Chamber was very pleased with the amount. The event was outstanding in all ways, and all new twists and innovations were well received!

MCE netted \$11,793 or 19.8%. The difference paid for most event supplies, equipment, and staff office assistants. Some of the 11,793 was profit, and some helped pay for larger event supplies and rentals. For the work dedicated to the event, MCE needs to move the 19.8% above 20%. I would like to get the MCE share above 20% and hopefully approach 22-25% in the next two years. Thank you for listening. I look forward to future conversations and dialogue.

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Lake Minnetonka CVB Concept

“The primary purpose of a CVB is to increase visitation into and throughout the Community”, Steve Markuson, Director, Twin Cities Gateway CVB

The Lake Minnetonka Area – to include the 14 cities hugging the lakeshore, with hubs in Wayzata and Excelsior, is a natural location for a CVB. The area has visitors year-round, and this equals a tourism-based economy.

28 cities in the Metro area currently charge a lodging tax, and their tourism dollars give them an opportunity to promote their areas as destinations. For example,

- Lakeville charges 3% lodging tax, has 5 properties and totalled \$175K in 2013
- Stillwater/Oakdale charges 3% lodging tax, has 14 properties and totalled \$169.5K in 2013
- Willmar charges 3% lodging tax, has 9 properties and totalled \$172K in 2013
- Richfield charges 3% lodging tax, has 4 properties and totalled \$190K in 2013

“Tourism dollars flow through the community & visitor spending creates jobs”, Steve Markuson, Director, Twin Cities Gateway CVB

The potential for a Lake Minnetonka CVB to bring in a considerable amount of visitor-based revenue is significant. Currently, there is nothing in place like it anywhere in the vicinity (see map).



- Red circle = lodging tax of 3%+
- Green circle = beginning discussions of implementation of a lodging tax

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As a popular day trip destination to twin cities residents, we feel if we implemented a 1.5% food/dining tax, this would allow visitors who come to the area to fund many needed projects, not the residents or businesses.

“The marketing and promotion for the community is paid for by visitors, not residents”, Steve Markuson, Director, Twin Cities Gateway CVB

MN State statutes states that 5% of the 3% tax is allowed to be given to the city government, and the 95% of the 3% must be used to promote the community via the CVB.

The CVB Concept committee proposes:

- An aggregate approach to promoting the region – marketing, branding, promotion;
- Formation of a CVB Board of Directors, to include – members from each city, each Chamber board of directors, lodging industry, entertainment/dining industry;
- The Lake Minnetonka CVB could be formatted as a JPA (Joint Powers Agreement) in order to keep things equitable between the host organizations;
- The CVB BOD would have their own set of Bylaws;
- The CVB would have their own accounting system;
- Requesting Wayzata and Excelsior City Councils approve a lodging tax of 3% for upcoming and existing lodging facilities;
- Wayzata and Excelsior- Lake Minnetonka Chambers would reach out to surrounding communities with hotels/lodging and ask them to be a supporter and part of the Lake Minnetonka CVB (i.e. Minnetonka, Plymouth);
- Hire a CVB Director, to oversee the efforts being made by the CVB