

Blackstone Valley Tourism Council, Inc.

Board of Directors Meeting
Blackstone Valley Tourism Council
175 Main Street
Pawtucket, RI 02860
August 22, 2017

Attendees:

David Balfour, Chairman
Barry Mechanic, Vice Chairman
Dave Richards, Secretary
Judy Fischbach, Treasurer
Dr. Joyce Hindle Koutsogiane

Paul Palange
Thomas Kravitz
Michael Zhang
Michael Gwynn
Louis Yip

Absent:

Mark Brodeur
Debra Berardis

Also Attending:

Dr. Robert Billington, President, BVTC
Natalie Carter, Director of Operations, BVTC
Joan Loos, BVTC Staff
Attorney Keith Fayon
Patricia Cerilli, Mullen, Scorpio and Cerilli, Certified Public Accountants

1. Call to Order. Mr. Balfour called the meeting to order at 12:07 p.m.
2. Approval of Minutes from May 16, 2017. Joyce Koutsogiane moved, Barry Mechanic seconded, and the corrected minutes from the May 16, 2017 Board meeting were unanimously approved as presented.
3. Auditor's Report. Draft financial statements for the June 30, 2016 audit were distributed. The Council received a clean opinion except for: the consolidation activity of Water Cruises, LLC and a year-end inventory.

Ms. Cerilli, our auditor, explained the result of the audit and the draft financial statements. Because the net assets entry shows a negative in 2015 and 2016, additional disclosures had to be made, which were explained by Patti, and accounting procedures were explained and discussed.

Barry Mechanic questioned the Polar Express income and rental expense for the train and the use of Polar Express funds prior to the event taking place. Bob explained to the Board that our Blackstone Valley Tourism Council programs could not operate without the use of the Polar Express funds. We understand that we are using funds for staffing, products and wholesale purchases that need to be paid for prior to execution of the event. Due to the lack of robust hotel tax funds, we have very low cash flow, so the Polar Express funds are needed to sustain operation. Bob stated that for 2017 the Polar Express program is secure. We do not have a contract for the train for 2018, but we hope to be negotiating the contract soon. The Genesee & Wyoming Railroad will see how this season runs before contract talks begin for 2018.

It was suggested that updates via e-mail should be sent to Board members monthly regarding monthly sales and marketing information for the train.

As of December 31, 2016 both Blackstone Valley Tourism, Inc. and Water Cruises, LLC have been dissolved. Patti explained the notes regarding the dissolution of these two entities. Patti explained the tax filing issues relating to Water Cruises, LLC for the last 8 years. Bob and Patti explained the history of the company and the steps being taken regarding the IRS penalties totaling \$30,000.

Patti reviewed the Blackstone Valley Tourism Council Management Recommendation Letter for 2016, which presents guidelines for proper accounting practices. Recommendations include a more comprehensive physical count in regard to assets; and some personnel files were not complete and should include information on raises and dates of raises. .

4. Treasurer's Report. Judy Fischbach reviewed and explained the Balance Sheet as of June 30, 2017 compared to May 31, 2017 and the Income Statement from July 2016 through June 2017. Judy commented on the decreased hotel taxes received, and explained the relationship of Tickets and Admissions and Program Costs relating to Polar Express and the effect on net equity. Natalie explained how product sales are accounted for.

Judy explained that the organization will still be in a deficit situation for 2017 and it will be important to scrutinize programs so that the deficit situation does not exist in 2018.

Dave Richards moved, Tom Kravitz seconded, and the Treasurer's Report was unanimously accepted as presented.

5. Discussion on Succession Planning and Officer Election. Board minutes from September 9, 2014 were reviewed which state that Dave Balfour's term as Chairman of the Board ends in September 2017. Bob had asked Attorney Keith Fayan to review the Bylaws of the organization in regard to governance and officer terms. Dave Richards moved and Joyce Koutsogiane seconded that we allow discussion and possible approval of extending Dave Balfour's term as Chairman for one more year. After unanimous approval for discussion of the issue, there was discussion regarding the issue of extending Mr. Balfour's term, as well as discussion regarding term limits and succession planning.

Dave Richards moved, Mike Zhang seconded and it was unanimously agreed to extend Dave Balfour's term as Chairman for one more year and to address succession and term limits at the next Board meeting on September 12.

6. Other Business. Bob noted that the Annual Dinner and Awards for the BVTC will be held on September 28, 2017. The BVTC will be recognizing John Taylor of Twin River, Joyce Koutsogiane and Mike Tamburro, as well as the breweries of the Blackstone Valley. Board members received a supply of tickets to sell to the event.
7. Adjournment. There being no further business, Dave Richards moved, Joyce Koutsogiane seconded and the meeting was adjourned by Mr. Balfour at 1:40 p.m.

Respectfully submitted,

Joan Loos, BVTC Staff

Attachments: copy of BVTC Bylaws
copy of Keith Fayan letter