



BOARD OF DIRECTORS MEETING MINUTES

August 18, 2009 • 9:00 a.m.

NOTE: Action items noted in bold.

Board Present:	Board Absent:	Staff Present:	Guests:
Michelle Personette	Judy Gray	Sharon Liggett	
Susie Hall	Althemese Barnes	Stephanie Reaves	
Michelle Wilson –by phone	Bill Hagen		
Doug Bell	Tammy Hamlet		
Russell Perkins	Jesica Parker		
Larry Paarlberg	Pat Van Buren		
Michelle Bono	Stu Bevis		
Frank Murphy			
John Taylor			
Karen Lambert			

I. Call to Order

Michelle Personette, Chair, called the meeting to order at 9:06 a.m. Michelle noted that due time constraints of several members, quorum consideration and the necessity to obtain direction on several key items that the order of the agenda would be changed. She asked the Board to skip down to General Business, Section IV.

II. General Business

Michelle Personette began by stating that she and Doug Bell met with Lee Daniel to discuss a variety of transition issues including having the staff that will be moving over to the County begin reporting to Lee as of August 10, 2009 and the remainder of the staff continuing to report to Sharon.

Bylaws Amendment: Additionally, they spoke about transferring the TACVB assets to the TDC. In order to do this, the current bylaws would have to be amended. The current amendment states in *Article XIII: Dedication of Assets - The properties and assets of the TACVB are irrevocably dedicated to the promotion of conventions, visitors and tourism purposes. No part of the net earnings, properties, or assets of the TACVB, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member or director of this TACVB. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to a nonprofit fund, foundation*

or TACVB that is organized and operated for promotion of convention, visitors and tourism in the Tallahassee area and has established its tax exempt status under Section 501(c)(6) of the Internal Revenue Code of 1954, as amended.

Proposed By-Law Language

Article XIII: Dedication of Assets - The properties and assets of the TACVB are irrevocably dedicated to the promotion of conventions, visitors and tourism purposes. No part of the net earnings, properties, or assets of the TACVB, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member or director of this TACVB. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to an ~~nonprofit fund, foundation or TACVB that is organization-ed~~ and that operateds for the purpose of promotion of convention, visitors and tourism in the Tallahassee area. ~~and has established its tax exempt status under Section 501(c)(6) of the Internal Revenue Code of 1954, as amended.~~

Justification

The original intent of Article XIII: Dedication of Assets in the TACVB By-Laws was to transfer properties and assets of the TACVB (upon dissolution) to another entity that is dedicated to the promotion of tourism. However, the by-laws stipulate that the organization must have established its tax-exempt status under Section 501(c)(6) of the Internal Revenue Code of 1954. Under the current language, the TACVB would not be permitted to transfer the remaining assets to the TDC, since the TDC's tax exempt status is not established under Section 501(c)(6) of the Internal Revenue Code of 1954.

A motion was made by Susie Hall and seconded by Michelle Bono to adopt the proposed language change so that it remains consistent with the original intent of the by-laws and allows the TACVB to transfer its assets upon dissolution to the TDC. The bylaws amendment passed unanimously.

Dissolution Filing

Michelle Personette asked the Board to authorize her signing and thus filing the documents for dissolution of the TACVB as a corporation in the state of Florida. Doug Bell indicated that these were straight forward forms and that by the prior vote of the Board to dissolve, Michelle Personette was thereby authorized to sign and file the papers.

Annual Report and Meeting

Michelle reported that the draft of the Annual Report has been received. The Annual Meeting will take place on Tuesday, September 22, 2009 at 5:30 pm,. The location has yet to be confirmed. The Board of Directors will meet, prior to the annual meeting, at 4:30 pm at the Challenger Learning Center, 2nd Floor Conference Room.

Employee Time & Leave Transfer and/or Payout

Time & Leave for transferring employees: The TACVB employees transferring to the TDC have been given the following options for handling their vacation and sick leave. 1) They can transfer 100 percent of the balance of their annual and sick leave to their new position at the TDC or 2) They can be paid out for their leave balance in accordance with the TACVB policies.

Michelle stated the need to clarify the language used for the term “severance” in the current TACVB policy manual, as the term “vested” is not defined. Historically, the TACVB has operated using the language in the previous version of the policies and procedures (see below) to compensate employees when they leave TACVB employment. In moving forward, The TACVB BOD must define “vested” in the current policies and procedures manual.

The historic definition of vested:

Current Language in Policies and Procedures Manual

- 315 Paid Time Off (PTO): *All full-time employees shall be eligible to accrue PTO benefits days. New employee will begin accruing, effective with the first full month of employment, one half PTO day per period until their first year anniversary date.*
- 405 Employment Termination: *All accrued, vested benefits that are due and payable at termination will be paid on the next pay date or when proper calculation of such accrued or vested benefits is reasonable favorable.*

Previous Language in Policies and Procedures Manual

- VACATION: *Annual leave becomes a vested benefit after one year of continuous employment. Vested employees will be paid their unused annual leave upon separation equivalent to, but not to exceed, the one year annual leave amount. All full-time, salaried employees accrue one day of annual leave for every month worked. After five years of continuous employment, each employee accrues at a rate of 1.25 days of annual leave per month.*
- SICK: *Sick leave becomes a vested benefit after three years of continuous employment. Upon termination, a vested employee will receive compensation for 50% of their unused sick leave, up to a maximum of 10 days.*

For discussion board members offered the following information/questions:

- Current examples of city, county, state, university, private sector and non-profit vested and non-vested benefit programs.
- Could the liquidity of the organization support any definition other than the historic understanding?
- Was there a penalty to the staff not transferring to the county?
- Should length of service be a consideration?
- Does the historical definition impact financial policies and procedures?

- Can the definition of vested and financial impacts be addressed without a conversation regarding severance?

The board determined that precedence has already been set with the organization using the vested language from the previous policy manual but asked to continue the severance discussion before opening a vote.

Severance

TACVB Policy #407 Severance Pay states the TACVB may provide discretionary severance pay to regular full-time employees whose employment is terminated for reasons that are not prejudicial to the TACVB, as determined by the TACVB in its sole discretion.

Specifically excluded from benefits under this provision are employees who; were hired as temporary employees for a specified period of time; were offered but refused to accept another suitable position with the TACVB; were provided the opportunity to be retained for any length of time by a successor employer, or were employed for less than one year.

Michelle Personette notes that she has contacted Lee Daniel, Executive Director of the Tourist Development Council to inquire, which, if any, of the TACVB employees would be exempt from receiving severance based on the aforementioned definition. He responded that only TACVB employee that was offered a position and did not accept the offer was Pam Bauer. He stated that he is “not aware of any other offers being made by Leon County in addition to the five that are transitioning into the Tourist Development Department (or Visit Tallahassee).”

Michelle Wilson raised a question regarding a prior statement in a public meeting that Lee Daniel made referring to an “offer” to Sharon Liggett. Susie Hall asked for a clarification of the difference between a formal offer and casual conversation. Doug Bell clarified the language in the policy stating that being retained by the successor employer must be defined with “like position”. Due to the uncertainty surrounding the issue, Michelle asked if getting a statement in writing from Mr. Daniel would suffice for the board. **A motion was made by Frank Murphy and seconded by John Taylor to accept the definition of severance with the verification from Mr. Daniel affirming the aforementioned offers. The motion passed unanimously.**

Sharon Liggett and Stephanie Reaves were excused from the meeting for further discussion of severance packages and leave balances.

Michelle Bono stated that both the city and the county severance packages are more generous than the TACVB proposal. It was clarified that TACVB benefits include: medical, dental, long term and short term disability and life insurance.

A motion was made by Michelle Bono and seconded by Susie Hall to award the employees not transitioning to the TDC three months severance and full benefits, using

the historic definition of vested when determining balances to be paid for vacation and sick leave.

Russell Perkins stated employment records need to be reviewed by an independent party to determine length of service and accrued vacation/sick leave time in accordance with the definition of vested. **Motion passed unanimously.**

Professional Services

Russell Perkins presented Stephanie Reaves proposal as an independent contractor. Russell recommended an hourly pay schedule not to exceed \$23,000. **A motion was made by Susie Hall and seconded by Frank Murphy** for Michelle Personette and Russell Perkins to flush out the details of the contract, pay structure and reporting. **Motion passed unanimously.**

VI. Chair's Report

Michelle Personette reported to the Board that there is a second legal complaint from the employee whose case was previously dismissed. She is charging retaliation since she was not-rehired to transition to the TDC. The charge is effective July 8, 2009. The TACVB's legal counsel has to respond by August 28, 2009.

III. Secretary's Report

Susie Hall, Secretary, presented the minutes from July 2009. **John Taylor made a motion to approve the minutes. Motion was seconded by Larry Paarlberg and passed unanimously.**

VII. Adjournment

The meeting was adjourned at 10:25 am.

The next full and final meeting of the Board of Directors is scheduled for Tuesday, September 22 at 4:30 pm at the Challenger Learning Center.