Executive Committee Meeting
Hyatt Regency Sacramento
January 23, 2008

Secretary Bonner called the meeting to order at 4:18 p.m. Roll was taken and the following Commissioners were present: Commissioners Bilby, Bonner, Burba, Handlery, Lawrance, Meunier and Westrope. Others present included Caroline Beteta, Damon Eberhart, Tracy Garrett, Robert Glazier, Ross Hutchings, A.J. Jimenez, Mike Kvarme, Sandy Lyon, Sommer McCormick, Matthew Sabbatini and Susan Wilcox.

Secretary Bonner reported that his official confirmation hearing has been scheduled. He reported that there is a lot of transition going on at the Commission with the installation of the new Commissioners and recognition of outgoing Commissioners.

CEO Report

CEO Beteta reported that CTTC has compiled a five-minute video to summarize all the work staff has done since the meeting in October, which will be shown at the Commission meeting. She reported that the referendum passed by a staggering 91% of the vote. The referendum will be held again in six years. She reported that over the last year, staff and committees have focused on the $50 million marketing plan, and this year will be focusing efforts on operations. Staff will be developing a full operations plan over the next year to verify that CTTC's infrastructure can support the organization over the next six years.

CEO Beteta reported that the FY 2008-2009 operations budget will be presented at the January Commission meeting and will remain open for public comment and review until the May meeting, at which time it will be presented for ratification.

Nominating Committee Report

Commissioner Lawrance reported that the Nominating Committee met recently and will be making some recommendations to the Commission for approval. Commissioners Bilby, Erskine and Lawrance will be termed out after this meeting. The Committee is recommending that Ed Grier of Disneyland, Julie Maurer of Booth Creek Resorts and Brian Carpenter of Dollar/Thrifty be elected as Commissioners to fill those open slots.

Motion by Commissioner Meunier to approve the recommendations of the Nominating Committee as stated above for full Commission approval. Second by Commissioner Lawrance. Motion unanimously approved.

Commissioner Lawrance reported that the Nominating Committee recommends Commissioners Fichthorn, O'Modhrain and Wagnon as members of the Executive Committee.

Commissioner Lawrance stated that the Nominating Committee also recommends Commissioner Wagnon to fill the Vice-Chair of Marketing position.

Motion by Commissioner Lawrance to approve the recommendations of the Nominating Committee as stated above for full Commission approval. Second by Commissioner Westrope. Motion unanimously approved.

Commissioner Lawrance reported that the Nominating Committee would like the Governance Committee to explore the following issues: residency restrictions for Commissioners, size of the Executive Committee, how long a Commissioner must be off the Commission before becoming eligible to be elected again, and the length of time a Commissioner can remain on the Commission when he/she is not employed in the industry.

Legal Report (Closed Session)
Mike Kvarme reported that during a closed session, the Commission discussed ongoing litigation and has completed a contract with Caroline Beteta for another three-year period.

Commissioner Meunier reported that staff will be working on reviewing all operational policies and procedures. CTTC has also hired an HR contractor to review employee procedures. Staff will also develop a full operations manual for review at the May Commission meeting.

Financial Update
Commissioner Westrope reported that the audit of June 30, 2007, is complete. It was reported that Moss Adams has issued another unqualified opinion with no material weaknesses. She reported that Moss Adams did have a few suggestions about internal controls that staff is already in the process of completing or has already put in place.

Motion by Commissioner Westrope to recommend approval of the audit to the Commission. Second by Commissioner Handlery. Motion unanimously approved.

Commissioner Westrope reported that the FY 2008-2009 operations budget will be voted on in May. She reviewed the financial statements ending November 30, 2007. She stated that as of November 30, 2007, 42.5% of the budget had been expended. Balances are due from co-op partners; there are four line items that are over budget: general expense, move, audit and

communications outreach. The rental car income was over budget by $1.2 million and other assessments were on target. Cash flow is on target and staff will not have to use reserves.

Motion by Commissioner Lawrance to approve the financial statements of November 30, 2007, as reviewed. Second by Commissioner Westrope. Motion unanimously approved.

Marketing Update

Commissioner Bilby reported that a meeting was held with the CTTC international offices as well as CVBs from around the state to discuss the topic of incentive travel. She reported that it was an equal vote for those in favor and those not in favor of having CTTC support incentive travel. She stated that CTTC should not get involved in incentive travel without adding additional staff. Further discussion will be held at the Marketing Advisory Committee meeting.

Government Affairs

Nothing to report.

Other Business

Commissioner Meunier reported that he has been working with CEO Beteta to streamline the Commission and Executive Committee meetings into one day.

CEO Beteta reported that staff has received a request for sponsorship to help secure an Olympic bid. Further details will be given in the full Commission meeting.

Adjournment

Motion by Commissioner Meunier to adjourn meeting. Second by Commissioner Bilby. Meeting adjourned at 5:55 p.m.