



**Convention & Visitors Bureau
Pinehurst, Southern Pines, Aberdeen Area**

**Regular Board Meeting
Thursday, April 4, 2013**

Members Present: Tom Pashley, David Byers, Randy Saunders, Ken Crow, Tom Beddow, Pat Corso, George Little, Kelly Miller

Members Absent: Patrick Coughlin, Carrie Neal, Bonnie McPeake, Wayne Vest

Staff Present: Caleb Miles, Karen Davis

The meeting was called to order at 4:00 pm by Chairman Pashley.

Chairman Pashley asked for approval of the January 24, 2013 minutes. Member Crow moved for a motion to approve the minutes, seconded by Member Byers. Motion was approved unanimously.

FINANCIAL REPORT – Member Miller reported:

Room Tax Collections - both December and January registered a bit of a rebound, up 6.6% and 0.3% respectively. For this fiscal year to date through January collections are down 3.9% (as compared to prior year).

Expenditures - expenses YTD through January are still significantly below YTD budgeted (\$101,656) with the total variance to budget off just \$956.

Statement of Financial Position (Balance Sheet - also included in the board packet was the Balance Sheet/ Statement of Financial Position (audited). The FY 2011-12 final version of this report as the county audit has been completed. (Note: this is the only version of the Balance Sheet that is relevant and provides a full picture of the year-end fund balance total.) Total fund balance as of June 30, 2012 is \$297,769.

Potential Accounting Standard Changes (update) -two items that we discussed last meeting that impact CVBs in North Carolina for 2013 and beyond based on interpretation from the Local Government Commission:

1. Year End Audit (separate from County audit)
2. Finance Officer Bond

Both are being reviewed by Moore County Attorney, Finance Offices, and CVB State Association.



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Member Miller asked for approval of the December 2012 – January 2013 Financial Statements. Member Little moved for a motion to approve the financial statements, seconded by Chairman Pashley. Motion was approved.

Mr. Miles presented an explanation for the proposed room tax collection for FY 2013-14 (+14%) based on the impact of the 2014 US Open.

ADVERTISING REPORT – Member Crow reported:

The Marketing Committee met last month to plan for FY 2013-14's creative and media schedule. Mr. Miles displayed some of the refreshed creative (Gen 2) using the new template. The plan is to work on developing new creative in 2014.

Next year's media plan and buy will be an important one (covers 2014 US Opens) so we've started the process earlier than normal with the RFP to media companies – print, digital, TV and radio and have some great new, innovative opportunities to share with partners.

Mr. Miles and Claire Phillips gave the Marketing Committee an overview of this process and how most of the work is done in-house with CVB staff. Part of that presentation with the creative execution was shown to the board.

PRESIDENT & CEO REPORTS – Mr. Miles reported:

Meetings & Conventions – Leads are down 8% with room nights down 16% YTD, due to the lack of several large groups that were here in FY 2011-12.

Upcoming Groups

- Booked for 2014 Dixie Youth Girls Softball (states) July 2014. 3,000 people (players and families)
- Met with NC Dixie Youth Directors to discuss future bids for 2015 & 2016 World Series of Dixie Youth Baseball and Girls Softball as well as other tournaments.

Public Relations

Public Relations publications - Total Value: \$210,541

- March Our State magazine includes a 20-page pictorial of the Sandhills, valued at \$ 119,900
- PR – Golf Magazine, France. 11 page feature on Pinehurst Resort
- US Airways Magazine featuring Concours d' Elegance
- Friday, April 5th the Golf Writers Association will be at Mid Pines/Pine Needles again and the CVB will be co-hosting a reception for them.
- Business NC - Sandhills Profile. Again, our area will be the focal point for a 10+ page editorial/advertising profile in the July issue of Business NC. We will be heading up the coordination of the editorial development with them.

2015 NC Governor's Conference

- 2015 NC Gov. Conference on Travel & Tourism. The CVB and Pinehurst Resort have submitted a proposal to host 2015 NC Gov. Conference on Travel & Tourism, but due to the changes in the Commerce they are holding off on signing any contracts until they have determined what the new structure of Tourism will be, and who would contractually sign for the conference after 2014. This conference has turned in to a more beneficial event with an emphasis on bringing in top notch speakers, travel supplier companies, digital marketing experts, and travel writers/editors.
- We are hosting a smaller tourism industry event this fall called the Professional Development Conference at Pine Needles (NC Travel Industry Assn.) for about 125-150 people. We'll have more info on that later this spring.

Marketing – The movie, Jeremiah Valley, as discussed previously has been placed on hold. They are reworking the budget and have been in communications w/ Triangle Region Film Commission on the state film incentive program. Filming would be in 2013 if all approved.

Concours D'Elegance – the CVB is working with the event organizers and the auction house for the Saturday event. Will have limited access to some tickets, so watch your email during late April for more information. The CVB has assisted with advertising thru various contacts and our current ad campaign by piggy-backing messages. Also, US Airways Magazine has a full page editorial about the event. Discussion transpired.

US Opens 2014 – the CVB is scheduled to meet with Commerce Secretary Decker on April 25th to determine if a three way partnership with CVB, Commerce and RTRP (Charles Hayes) will work for a corporate hospitality tent. It could be a good way to leverage these relationships. (Our target audience for invitations to the tent would be: meeting and event planners, sporting event organizers, travel writers/editors, PR firms, select Government Officials, new corporate partners, and local partners.)

Tickets went on sale in March for USGA members and volunteers will be notified next month of assignments.

Hotel contracts are almost completed. There have been some challenges so it's good that the process started earlier. In 2014 there are less rooms needed per day as compared to 2005's US Open week, but of course it is two full weeks. Discussion transpired.

Palustris Festival - continued success in the fourth year – an additional day allowed more visitors to enjoy more events. There were people who came from Canada, Virginia, and Georgia specifically for the festival.



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CVB Annual Report - the 2011-12 Annual Report was emailed last month, and was completed in house. A copy was included in the handouts. Lisa Long did a great job on design and layout.

Legislative Issues -

Governor's Budget Impact:

- o Closing of House in the Horseshoe (Moore County State Site/Attraction)
- o New alignment of NC Dept. of Commerce as public/private enterprise. The impact on NC Division of Travel and Tourism by going private is less staff, more or less of advertising/promotions budget.

New Legislation Impact on Tourism -Clodfelter Tax Reform Act (Senate Bill) – lowers tax rates and broadens the base.

International Marketing - NC Division of Tourism, International Overview by Mr. Miles. The CVB hasn't had substantive international marketing (outside of Canada) since 2001. Discussion transpired about the implications and revenues that could be driven with international visitation (stay longer, spend more), especially with exposure of 2014 US Opens.

CHAIRMAN'S REPORT

New Business:

Office Lease – Mr. Miles passed out a copy of the CVB's current lease which expires June 30, 2013, but has a renewal provision for 3 more years (FY 2013-14 to FY 2015-16). He asked for board members to express their thoughts on the CVB's office location. Discussion transpired.

Chairman Pashley asked for a motion to continue the current lease with the Chamber of Commerce thru FY 2015-16. Member Miller moved for a motion and Member Beddow seconded. Motion was approved to continue the lease with the Chamber of Commerce for three years.

Chairman Pashley reminded everyone of the next CVB Board Meeting on Thursday, June 27th at 4pm.

There being no further business to bring before the Board, Chairman Pashley adjourned the meeting at 4:55pm.

Respectfully submitted,

Kelly Miller
Secretary/Treasurer