



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

**Regular Board Meeting
Thursday, November 14, 2019**

Members Present: Tom Beddow, Tom Pashley, Kelly Miller, George Little, Andy Hofmann, Bobbie Rollins, Frank Quis, Linda Parsons, Pat Corso

Members Absent: Bonnie McPeake, Caroline Xiong and Wayne Vest

Staff Present: Phil Werz, Beverly Stewart, Donna Garner

The meeting was called to order at 4:02 pm by Chairman Beddow.

Chairman Beddow asked for approval of the minutes from the September 19, 2019 Regular Board meeting. Member Miller moved for a motion to approve the minutes, seconded by Member Pashley. The motion was passed.

FINANCIAL REPORT – Secretary/Treasurer Miller reported:

A. Room Tax Collections:

Through September 30, 2019, we have collected \$530,447.68 through the first three months of the FY 2019-20. Each month has been an all-time record, so we have witnessed records in 14 of the last 15 months. We are on pace for an all-time record and pacing to exceed 2 million in collections for the first time ever. To date in this fiscal year, we are up 15.8% year-over-year for the same three-month FY period. We anticipate a record October once those numbers are received at the end of October.

B. Expenditures:

Through September 2019, we have maintained a favorable financial position of +\$38,515 to budget. The large decrease from +\$100,346 is attributable to the \$75,000 we paid to Golf Channel as the portion of our investment in the first year of a two-year program that included the recent TV special, plus a multitude of other meetings and in-market golf outings that will drive hotel revenue/occupancy tax to the destination.

C. Statement of Financial Position (Balance Sheet):

Also, emailed to you was a copy of the Balance Sheet/Statement of Financial Position through November 1, 2019. This document showed \$1,011,563.33 in total assets, \$471,165.74 in total liabilities for a total fund balance of \$540,397.59.

Does anyone have any questions about the Financial Statements or Financial Position? Motion to approve the Financial Statements. Member Quis made the motion to approve the financials. Member Little seconded. The motion passed.

President & CEO Report – Phil Werz

Occupancy Collections Update (FY 2018-19)

- Phil stated that the occupancy tax is up 15.8% over the same period last year, so we are pacing to beat last year's total increase percentage, which he thought would be hard to beat. We won't have the numbers for October until the end of November, but Phil expects it will be another record month.
- Member Little asked what seems to be driving the continued increase we're seeing in collections? Phil stated that he thought it attributed a lot to the fact we're a year-round destination, and there's been a lot of improvements in the area. Also, there seems to be a lot of buzz out there, as we have shifted from a print marketing plan to a digital marketing plan. He also mentioned the economy doing well has a part in it.

Golf Advisor Road Trip Summary

- Phil gave a brief overview of the 30-minute special Matt Ginella, of the Golf Channel, did on Pinehurst, that aired November 12th at 7:30 pm. He said it was a fantastic show highlighting improvements Mr. Dedmond has made at Pinehurst. They played #2, #4 and the Cradle, as well as visiting the Brewery and Elliott's on Linden. There was also a segment on Matt Ginella getting a flying lesson at the Moore County Airport.
- It is scheduled to air 6 additional times and Phil shared the dates and times it will re-air with everyone.
- It was also mentioned about us obtaining the footage to use on multiple websites around the destination.

Golf Cluster Video Update

- Phil stated that the CVB is producing a video interviewing heads, of several of the top golf courses in the area and they will put the video on flash drives, which Pat Corso can take to the PGA Trade Show in January, to help drive Pinehurst from a golf perspective.
- Member Corso expressed his appreciation to the CVB for volunteering to take on this project and hopes it will be a successful venture.

Website Update

- The website is scheduled to be ready by January 1, 2020. Phil showed the Board a few screenshots of how it will look.
- He went over some analytical numbers of website traffic, and how it has increased, as we are moving to more digital marketing strategies.
- Another key improvement will be making it easier for the user to book rooms and/or packages by having more booking links throughout the website.

Destination Guide Update

- The destination guide is being proofed, as we speak, to go to the printers. Phil held up a copy of the proof version, so everyone could see what the cover looks like. Member Pashley asked if we (Pinehurst LLC) had bought the cover, and was told by Phil, that yes, they did. Several members inquired to see the proof copy, so he passed it around the table for the Board to look at.
- Phil gave credit to Lisa Long for doing a fantastic job creating it, which has saved us \$120,000. Doing it in-house was one of the things, when Phil came on board, that he wanted to accomplish.

AirBNB Update

- Phil presented some numbers for AirBNB and VRBO listings in the area, and said he likes to update the Board about every 6 months on this.

- It was noted that there is a steady increase in the number of listings. It was asked if there are duplicate listings on both AirBNB and VRBO. Phil stated he would get that information from Emily Jack, who keeps up with these numbers, and send it out.
- Discussion ensued concerning why AirBNB remits the tax and VRBO does not, and whether they do remit it in other areas of the country. Phil said he has talked with someone from VRBO in the past and was told that they encourage the owners to remit the tax, but don't have a way to enforce it.

Proposed Updated Bylaws

- Beverly Stewart has worked diligently to update the current CVB by-laws, as they were extremely outdated, having never been updated since 1987. She researched by-laws from several other CVB's and Craig Phifer has reviewed and given his approval, with some minor changes. They were emailed out, along with the other meeting documents, but since most Board members had not had a chance to review them, it was decided that they would be put on the agenda, for approval, at the January meeting.
- Phil promised to resend the proposed new bylaws again, so Board can review and be prepared to discuss and/or approve at the January meeting.

Strategic Marketing Plan Bids

- Phil presented three bids for the firm the CVB wishes to hire to produce a three-year marketing plan.
- The bids included the following:
 - Destination Consultancy Group (\$5,000)
 - Magellan Strategy (12,500)
 - Young Strategies (\$15,000)
- Phil recommended Magellan Strategies because of their impeccable reputation and his familiarity with the owner, Chris Cavanaugh, whom he has known since working in Asheville (where the company is located) since 2002. Cavanaugh has also worked closely with the Asheville CVB in assisting them with their occupancy tax increase in 2002 and enjoyed a very successful career at Biltmore Estate prior to forming Magellan Strategies.
- After a brief discussion, Chairman Beddow entertained a motion to approve hiring Magellan Strategy to produce a marketing plan for us. Member Miller made the motion, seconded by Member Little. The motion passed. As a result, Phil said he would announce the hiring to Mr. Cavanaugh and follow with the board on the next steps.

Convention South Award

- The Pinehurst, Southern Pines, Aberdeen Area Convention & Visitors Bureau has earned its tenth consecutive Reader's Choice Award, as determined by the voters of ConventionSouth magazine. The CVB is among nearly 350 convention and visitors' bureaus, meeting facilities, and hotels located across the South to receive this year's award.
- Led by CVB executive vice president, Beverly Stewart, the organization garnered top votes for the best meeting sites in the South.

Beverly Stewart Executive Vice President - Events Update

- Completed a draft of new CVB Bylaws and submitted them to Phil for his review and Attorney Craig Phifer.
- Planned CVB Connect at Longleaf Golf and Family Club on October 23rd. We had around 25 people during the 2-hour event. Phil presented an update on occupancy tax revenue and ongoing marketing and PR at the CVB.
- Met with NC Register of Deeds Association to prepare a bid for 2021 NCRDA Annual meeting in Pinehurst.
- Met with Rich Phaneuf, President/CEO, AENC to discuss hosting the 2020 AENC Golf

- Tournament September 13th and 14th. Also discussed hosting the 2021 Winter Conference.
- We have a booth at the AENC Annual Tradeshow in Raleigh on December 12th. This allows us to meet with new Association Executives as well as regular clients and some corporate meeting planners.
 - Working on the Defense Alliance of NC-Annual Christmas Celebration and Silent Auction on December 17th at the Governor's Mansion in Raleigh. We will be submitting bids to host one of the new organization's events in 2020 and 2021.
 - Met with Billy Ransom, Director of Moore County Parks and Recreation to discuss and plan to bid on future Volleyball and Wrestling Tournaments at the new Parks and Recreation facilities in Carthage. We are also going to submit a bid to host the Dixie Girls Softball World Series again in 2022.
 - Upcoming Groups and events:
 - 2019 Extrication School-December 6-8, 2019
 - Weymouth Woods 50 Mile Trail Run-January 17-19, 2020
 - NC Dixie Baseball & Softball Annual Meetings-January 17-19, 2020
 - The Quadrille Club-January 29-31, 2020
 - 2020 Sandhills Regional Fire & Rescue College-January 22-26, 2020

Potential CVB Location Move

- Phil said he just wanted to make the Board aware that he had a conversation with the lady that owns the mortgage company next door to us. She said she is still wanting to take over the lease from us for the entire building, as her business is growing, and she has had to hire more staff. He said he wanted them to know, as he plans to casually start looking at options for us to move to another location.

Tourism Product Development Fund Committee Update-Tom Pashley

- Member Pashley opened by referencing a presentation that Phil had put together for a planning session the Board of Commissioners had, and that the committee had used the presentation as a starting point in their recent meeting. He said they are looking at other destinations that currently have a fund of this type, such as Asheville and Colonial Williamsburg. They are looking at some of the projects that have applied for funding in these places. This information was used to help educate the Commissioners on the types of opportunities that may come from raising the tax from 3 to 6 percent and creating this fund.
- Member Pashley used an excel spreadsheet on the screen for everyone to see what potentially the numbers could be from increasing the tax and having a TPDF. It helped to illustrate the percentages of how you could designate the money in the fund.

Chairman's Report-Chairman Beddow said he would like for the Administrative Committee to get together sometime in January and meet with Phil, to give him a performance review.

Pat Corso gave an update on Moore 100 Memberships.

Linda Parsons gave an update on the potential Chamber move. She said it had been a very good membership year and hoped for another great year in 2020.

NEW BUSINESS:

There was no unfinished business, nor any new business brought before the Board.

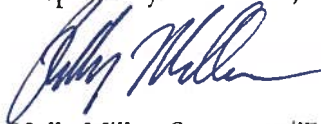
Chairman Beddow reminded everyone of the next scheduled CVB Board Meeting on Wednesday, January 29, 2020, at 4pm.

There being no further business to bring before the Board, Chairman Beddow asked for a motion to adjourn. Member Miller made the motion, seconded by Member Pashley. Chairman Beddow adjourned the meeting at 5:15 pm.

Members that left before the meeting was adjourned:

George Little-5:00 pm

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kelly Miller", written in a cursive style.

Kelly Miller, Secretary/Treasurer