



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

**Regular Board Meeting
Thursday, September 19, 2019**

Members Present: Bonnie McPeake, Tom Beddow, Tom Pashley, Kelly Miller, George Little, Andy Hofmann, Caroline Xiong, Bobbie Rollins, Frank Quis, Linda Parsons

Members Absent: Pat Corso and Wayne Vest

Staff Present: Phil Werz, Beverly Stewart, Donna Garner, Dan Dreyer

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

Chairman Beddow asked for approval of the minutes from the May 23, 2019 Regular Board meeting. Member Miller moved for a motion to approve the minutes, seconded by Member McPeake. The motion was passed.

FINANCIAL REPORT – Secretary/Treasurer Miller reported:

A. Room Tax Collections:

To conclude the 2018-19 FY, the CVB reports a 14.4% increase in occupancy tax collections from the previous FY (2017-18), which marks a record high. The total sum collected was \$1,882,867.61. As we enter the 2019-20 FY, we only one month of reporting so far, as the August report will be generated by October 1st. In July, we saw a 4.5% increase, in collections, for the same month in the previous fiscal year—once again an all-time record (\$156,374.96).

B. Expenditures:

Through July 2019, we have maintained a favorable financial position of +\$66,143 to budget.

C. Statement of Financial Position (Balance Sheet):

Also, emailed to you was a copy of the Balance Sheet/Statement of Financial Position through September 3, 2019 (unaudited).

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

At 4:07 pm Chairman Beddow called the Board into Executive Session for personnel matters.

At 4:19pm Chairman Beddow asked for motion to end the Executive Session. Member Quis made the motion. Member Parsons seconded. The motion passed. Chairman Beddow then said that the motion discussed during Executive Session would be voted on. Member McPeake made the motion with Member Quis seconded and the motion passed.

The Proposed Committee Assignments for FY 19-20 were brought before the Board. Chairman Beddow asked for any discussion regarding the committee assignments, and there wasn't any. Member Quis made the motion to approve the committee assignments as presented, seconded by Member Pashley. The motion passed.

President & CEO Report – Phil Werz

Occupancy Collections Update (FY 2018-19)

- We finished the 2018-19 FY with an increase of 14.4% over the previous year in hotel room tax collections. The total collections were \$1.8 million. The amount of increase is an all-time record, as is the sum collected for the entire FY.

With one reporting month in the 2019-20 FY, in July we saw a 4.5% increase in collections from the previous year and is once again an all-time record for the month of July. Market research indicates what we expect to be a record August as well. Barring any tropical systems, fall in the area is expected to produce more high volume visits.

N.C. Commerce Numbers (2018)

- Domestic visitor spending in all of NC was \$25.3 billion, an increase of 5.6% from 2017. Visitor expenditures directly supported 230,000 jobs and \$6.3 billion in payroll income in 2018.
 - \$134.68 million in payroll income in Moore County in 2018 (up 5.5% from 2017)
 - 6,070 tourism employees in Moore County in 2018 (up 2.4% from 2017)
 - Moore County Domestic Travel Expenditures up 6.0% in 2018 (\$520.7 million-up from \$491 million in 2017)
 - State tax receipts \$26.4 million in Moore County in 2018 (up 5.1% from 2017)
 - Local Tax Receipts \$15.5 million in Moore County in 2018 (up 5.3% from 2017)
 - Overnight visitors in the Piedmont Region stayed an average of 3.3 nights, with the type of lodging consisting of 51% hotels/motels, 43% private homes, and 3% AirBNB/VRBO.
 - Average party size: 2.7 people
 - Average household trip expenditure: \$511. For overnight visitors: \$634. Daytrippers \$211.

Proposed Strategic Plan

- Phil said that since we've never had a formal strategic plan we are looking at working with Destination Consultancy Group on creating one for us. We have gotten positive feedback from other CVB's as well as one of our media partners regarding this company's work, and the cost is very reasonable at \$4,600. Phil asked for the Board's approval to move forward in discussions with this company, and said he would report back at the November meeting. Discussion transpired and Member Miller asked if this company had any experience with the proposed Tourism Development Fund? Phil said he didn't specifically ask that question but would check into it. With further discussion it was decided that Phil would get proposals from 2 other companies and send to the Board to review prior to the next meeting.

Approval of Amendment to Budget Ordinance

- Last FY the CVB used several vendors, securing numerous requisitions, to pay for print and digital advertising. This FY, our agency of record-The Brandon Agency, will do all the media buying for the entire FY. Therefore, we will only need one requisition, for them, in the amount of \$450,000. Due to this being such a large amount for one requisition, an amendment to the Budget Ordinance, that was adopted in March, needs to be made under Section 2. Appropriations. This amendment will add a fifth exception, to following the County's purchasing policy, which reads, "All Service Contracts". Per Caroline Xiong, CFO for Moore County, General Statutes does not require a bid process for service contracts, however the County Purchasing Policy does require 3 quotes for purchases over \$5,000. Therefore, by adding the exception of All Service Contracts to the Budget Ordinance, we won't have to go through an RFP process. Phil asked for a motion to approve amending the Budget Ordinance to read All Service Contracts under the exceptions in the appropriations section. Member Pashley made the motion, with Member McPeake seconding it. The motion passed.

Destination Guide Update

- Last FY we spent \$120,000.00 for an outside agency to produce the destination guide. This year we brought it in house and budgeted \$45,000 for it. It is going to cost \$34,000 to print it. Phil praised Lisa Long for doing an amazing job creating it. He said he and Beverly have sold ads for the project, which will more than pay for the cost of producing it, with any excess going directly to marketing.

PR Marketing Update

- Upscale Travel magazine will be here this weekend doing a buddy trip story scheduled for the fall issue.
- Garden Destinations magazine will be here October 3-4 for a piece on the area and Duncraig Manor.
- NC Golf Panel will be here October 1-2 playing Talamore and Mid-South.
- Phil attended VisitNC Media Mission in Raleigh last week. There were multiple media outlets interested in stories about VisitNC farms app, locally sourced dining, Duncraig Manor, the refurbished Manor Inn and the brewery scene.
- Website traffic is up 100% and new users doubled over last year. 60% lift in organic traffic for the month. There is very strong performance on our third-party emails, particularly in open rate.

Dan Dreyer Introduction

- Phil introduced the new Destination Storyteller, Dan Dreyer, to the Board and gave a brief overview of his background and work experience. He then played 3 of the videos that Dan has produced since he's been at the CVB.

Beverly Stewart Executive Vice President - Events Update

- Phil and Bev attended the International Association of Golf Tour Operators – North American Conference June 23-26, 2019 in Woodlands, Texas. We met with 27 golf tour operators in one-on-one appointments and Networked with many more. All the appointment notes and cards have been sent to our hotels and golf courses. We've already had requests from Tim Flack with Golf Experiences who is in the process now of securing contracts. Jack McCullers with International Golf Adventure is coming to the area in September 25 and 26th for site tour and David Redmond with Epic Golf Travel requested rates from Pine Needles- Midpines. Other tour operators expressed an interest in visiting the area early 2020.
- Site tour for Liz Mays, travel writer and blogger - EatMoveMake.com, September 11-13, 2019. Visited area attractions, downtown areas, potters, salt spa, Duncraig Manor and locally owned

restaurants.

- Worked with the USGA on the 2019 US Amateur at Pinehurst Resort August 12-18th. The CVB provided accommodations info for the event and welcome packets for the media day and sponsor area. Also assisted the USGA to find food & beverage sponsors for volunteers and USGA staff.
- US Teens and US Kids – CVB provided registration desk for US Teens and US Kids at the resort club. I surveyed hotels prior to the events to let everyone know who was completely booked and who still had rooms. This information was sent to all the hotels so participants could find accommodations. I sent US Kids Golf Foundation - Rebate forms to the hotels who agreed to participate in the rebate program and will be collecting them for US Kids Golf.
- Epicenter Event – Working with DWP and Martie Butler, ED in Richmond Cty. to determine if the event will return to Rockingham in 2020. DWP has asked for another 30-day delay to sign agreements. They had appointments with the NC Department of Commerce to discuss some incentives and support for Rockingham.
- Attended and sponsored the Association Executives of NC – Annual Meeting in Charlotte, July 20-22, 2019. I spoke to group about US Amateur, US Jr. Amateur and what's new in the area for meetings and events. Also showed the new video produced by Dan Dryer to the executives and it was well received. NOTE: It was the 1st time EVER I had a custom CVB video to promote the area.
- I assisted the NC Defense Business Association to merge with the NC Military Foundation. The new organization will be The Defense Alliance of NC. The North Carolina Military Foundation is a private, non-profit economic development group focused on growing North Carolina's defense economy in a way that generates new long-term investment and job opportunities. Led by some of the nation's most distinguished military retirees and the state's preeminent corporate citizens, the Foundation leads high-impact strategic growth initiatives and positions key organizations and senior leaders to protect and grow North Carolina's defense economy. The CVB was a sponsor and participated in the DANC golf tournament at Anderson Creek August 5th.
- CVB sponsored the Association Executives of NC annual golf tournament along with Pinehurst Resort. The AENC members played the Cradle on Sunday, September 15 and Pinehurst No. 6 on Monday, September 16th. 72 players and 20 sponsors.
- 2019 Welsh Terrier Rescue - Stink Eye Convention will be held October 23-27, 2019. The event will bring in around 200 people and dogs. CVB assisted them with a marketing video in 2018 and will be providing additional support in 2019. CVB requested a Proclamation from Aberdeen for Welsh Terrier Day.
- 2019 Oasis Shriner's Fall Conference will be held October 31-November 3rd, 2019. I setup a meeting with Aberdeen Mayor, Town Manager to iron out details for their Shriners Parade on Saturday November 2nd. Also assisting them with local vendors for a lady's brunch and fashion show.
- Bev Gathering rates from area hotels for the following events:
 - ✓ 2019 Turkey Trot Marathon – November 23th
 - ✓ 2019 100 Years of Progress at Ederville – November 11-12, 2019
 - ✓ 2019 Reindeer Run – December 7, 2019
 - ✓ 2020 Weymouth Woods 50 Mile Trail Run – January 18-20, 2020
- The schedule of Board Meetings for 2020 was announced as follows: January 23rd, March 19th, May 21st, July 23rd, September 24th and November 19th.

Room Occupancy Increase/Tourism Development Fund Update

- Chairman Beddow introduced the next topic of discussion being the proposed 3% increase of Room Occupancy Tax and the possibility of a Tourism Development Fund. He mentioned that at a recent meeting of the Triangle J Council of Governments, several town leaders brought up infrastructure needs as a possible use of the fund. Much discussion followed regarding the need for ideas of what to use the 2% fund for, so that a solid plan is presented to the Commissioners for their approval to raise the Room

Occupancy tax. Member Quis stated that he had previously proposed getting feedback from members of the community, and had suggested a meeting of the mayors, of all 11 municipalities, for ideas. Chairman Beddow asked Member Quis to help organize such a meeting of the municipal leaders. It was reiterated that the use of funds, must meet the criteria of bringing tourism to the area. Member Quis commented that he didn't foresee approval, by the Commissioners, of raising the Room Occupancy tax during the current FY. After more discussion it was determined that it was in the hands of the Tourism Product Development Fund Committee, to come up with a plan for use of the fund, before it could be approved by Commissioners.

Chairman's Report - Chairman Beddow said his only remarks were that we have strong team, with a high energy level which he likes a lot, and to keep up the good work.

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 Thursday, November 14, 2019, 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 McPeake. Chairman Beddow adjourned the meeting at 5:30 pm.

Members that left before the meeting was adjourned:

George Little-5:05 pm

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kelly R. Miller". The signature is written in a cursive, flowing style.

Kelly Miller, Secretary/Treasurer