



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

**Board Meeting  
Thursday, October 15, 2020**

Members present: Tom Beddow, Tom Pashley, Kelly Miller, Andy Hofmann, Bobbie Rollins, Linda Parsons, Caroline Xiong, George Little, Pat Corso

Not present: Frank Quis, Bonnie McPeake, Wayne Vest

Staff on the call: Phil Werz, Donna Garner, Beverly Stewart

The meeting was called to order at 10:05 a.m. by Chairman Beddow.

Chairman Beddow entertained a motion to approve the August 5, 2020 minutes. Member Miller made the motion, Member Rollins seconded it, and the motion passed.

**Financial Report-Secretary/Treasurer Miller**

**Room Tax Collections:**

As expected, with the pandemic and Phase 2.5 restriction in effect through the first two months of the 2020-21 FY, occupancy tax collections were below previous year levels. In July and August, Collections were around \$151,000, translating to a decrease of 3.4% in July and 19.4% for August. July was bolstered by the annual U.S. Kids Golf World Championships. To date, for the first two months of 2020-21, we are down in collections 11.4%.

**Expenditures:**

Through the first two months of the 2020 FY (through August), we are in a positive financial position of +20,204 to budget. The CVB has cut back on expenditures internally (i.e. Travel and Trade Shows), mostly due to the very conservative annual operating budget, we are seeing the benefits of a conservative forecast on monthly occupancy tax collections, which have produced a surplus of \$150,000+ through August.

**Statement of Financial Position (Balance Sheet):**

Also, we emailed to you a copy of the Balance Sheet/Statement of Financial Position as of September 30, 2020. This document showed slightly more than \$1 million in total assets, about \$500,000 in total Liabilities for a total fund balance of \$516,162.21.

Member Miller entertained a motion to approve the Financial Report. Member Pashley made the motion, Member Parsons seconded it and the motion passed.

**President & CEO Report-Phil Werz**

Phil opened by thanking everyone involved with helping to make the deal with the USGA to locate a second headquarters and bringing four more US Opens to Pinehurst, a reality. He said there has been very positive feedback and an outpouring of congratulations and well wishes.

Phil stated that according to data received from the US Travel Association 2019 Visitor Spending Report, Moore County had a record year with \$563,000,000 in total visitor spending. This represents an 8.1% increase over 2018. That was the 7<sup>th</sup> best increase in NC. The state sales tax generated from this spending was \$28,400,000, up 7.5% from the previous year.

With regards to Room Occupancy Tax, Phil reported that while our numbers are down for July and August, from what we were bringing in last FY, they are higher than the collections in the 2018-19 FY. So, while we are down from the record collections, we were seeing in 2019, we aren't historically down to amounts, from say 10 years ago. While we are seeing progress, we aren't totally recovered from the impact of the pandemic. Until meetings, conventions, and large groups are able to return, we will probably continue to trend down.

Information received from the STR report indicates that our occupancy for July and August was in the mid 50% range, which was down 16% for July and 23% for August. However, in looking at the average daily rate, it was relatively flat. Only down .1% and .2% respectively. Comparing to the other counties we track (Wake, Guilford, Mecklenburg and Horry County, SC) we are higher than all of them for both months.

Latest travel tendencies research reveals that rural and outdoor destinations are outperforming urban markets. Cities with greater domestic leisure draw, and less group demand, are recovering more quickly. Phil said that not only are people not visiting bigger cities, they are moving away from bigger cities. Per information received from the real estate market in Moore County, there is just not a lot of inventory available right now. Another note of interest, consumer confidence in traveling has gone up to 50% which is the highest it's been throughout the pandemic. It's estimated that the largest piece to our full recovery, which is large scale events, won't fully return until the 3<sup>rd</sup> quarter of 2021.

Being that we are a golf destination, latest golf trends show that Covid is causing the greatest resurgence in golf since Tiger Woods started in the late 90's-early 2000's. With the 5 golf equipment categories, sales are setting records and obviously if people are buying these things, they are going to play golf. And we're the perfect destination to do that. Junior golf growth is predicted to be up 20% in 2020. Phil stated that the US Kids Golf Academy at Longleaf has over 600 kids in that program and they are maxed out. Research also indicates that 76% of adult golfers will travel up to 4 hours away to play, and some will travel 6-7 hours.

Phil gave an update on a \$100K grant from VisitNC. This amount is awarded as a credit, and we were given the most you can receive from it. We're able to use this credit for assets we typically couldn't afford with resources such as Golf Digest, and Golf Magazine for dedicated emails to their database, which is a huge plus. The \$115,000 from the county that was mentioned in the Pilot back in the summer and Wayne Vest addressed at an earlier board meeting is still on the table. Phil had not heard any more about it and reached out to Wayne to find out the status. Basically, these monies are still anticipated sometime in the future. Wayne is trying to get an extension on spending the funds, to be able to determine the best way to utilize them. And we are also eligible for a grant from NCTIA of \$15,000, with an additional \$30,000 maybe to come. The first \$15,000 that has definitely been awarded, will be hitting our budget and due to that we must vote on a budget amendment. Chariman Beddow asked for a motion to approve this \$15,000 grant award to be added to our current FY budget to be used for marketing. Member Miller made the motion, Member Hofman seconded it and the motion passed.

Another item Phil mentioned was concerning web stats and Google analytics. In comparing September 2020 to September 2019, Google sessions and pageviews are up. Our website is performing remarkably well with new users up and bounce rates down. Users by metro areas are still up, as previously shown.

Phil stated that we, in association with WRAL news, have added a new webcam to our website, as well as theirs. The camera is mounted on the roof of the US Kids Golf Academy and is a livestream view overlooking the 9<sup>th</sup> hole at Longleaf. WRAL chose this location out of 4 different Southern Pines options they were given. It is the only golf webcam they have, and they have shown it multiple times during their newscasts since it went live. Phil showed a video clip from the WRAL morning news segment of October 14<sup>th</sup> where Elizabeth Gardner gave a great “plug” for playing golf and US Kids Golf Academy, during her morning weather report. The board applauded after seeing this video, and the great publicity this is giving to our destination.

Phil then gave an update on our Explore Moore segments. These are short videos showcasing Jeremy Lee & Megan Ewoldsen, as 2 friends out and about, doing fun things around the destination. These segments will be called Explore Moore Mondays and will have a specific theme each week, such coffee houses, golf related, history related, etc. This is a great opportunity for multiple adventures throughout the destination at no cost to the CVB, other than our time in producing the videos. These segments are scheduled to debut in January 2021, with posts for social media and amplification on our You Tube Channel.

Phil announced that the CVB is developing a partnership with Peter Stilwell and Tarheel Communication Solutions for future events. We have worked closely with them in the past on several events they have hosted, such as Festival D’Avion and US Kids Golf. It won’t be an exclusive partnership, as we will do other events. Some of the future events we plan to work together on are: BBQ Pitmasters, Home of American Golf Festival, and US Kids Golf Tour.

Before closing his presentation, Phil showed a couple of videos. One was a video from Our State magazine featuring Ashley VanCamp, in which she is describing our destination’s unique restaurants, shopping, and other features that makes Moore County perfect, for a “Weekend Getaway”. The other video was done in house, in conjunction with Global Golf Post, to feature Moore County’s “Best 18 Holes” of golf.

### **Beverly Stewart Executive Vice President – Activities Update:**

- PGA – The High School National Golf Invitational Tournament is returning to Pinehurst in 2021. Hopefully a full field this time with over 560 participants girls and boys.
  - The event will be in June 2021 instead of August, so it won’t conflict with US Kids Golf. Girls June 23-25, 2021 and Boys 28-30, 2021.
  - CVB will provide overflow rates from local hotels, Welcome Packets, etc.
- Association Executives of NC (AENC)
  - Sponsored and attended the AENC Golf Tournament at Pinehurst No. 6 on September 14<sup>th</sup>, 2020. Already in discussion with AENC to host the 2021 golf tournament in conjunction with a meeting planner round table the next day.
  - Attending the AENC Fall Conference in Durham, October 29-30<sup>th</sup>.
  - Exhibiting at the AENC Annual Tradeshow December 9<sup>th</sup>, 2020.
- Met with Peter Stilwell, Tarheel Communications, to discuss several new events planned. The CVB will be assisting with planning and coordination.
  - US Kids Golf Tour – 18 to 25 years old (summer)
  - Weeklong new Festival of Golf planned for 2022.
  - Pit Masters BBQ Festival
- Attended the VisitNC zoom meeting “Meetings & Convention Recovery Discussion” to determine how the CVB can partner with them and other CVBs for virtual meeting planner appointment shows. Three are being planned with Northstar Meetings Group.

- Providing hotel rates for the following groups:
  - Ederville 100 Years of Progress November 6-8, 2020
  - Sandhills Fire College January 27-31, 2021
  - Festival d' Avion April 9-10, 2021 (Assisting with sponsorships)
  - Sandhills Motoring Festival May 27-30, 2021
  - Green Crest Golf Club September 16-19, 2021
  - Yarborough-Power October 14-17, 2021
  - White-Main Wedding November 4-7, 2021
- Booked the NC Register of Deed Association for September 2021.
- Continuing to assist the USGA with the 2021 US Jr. Amateur at Country Club of North Carolina.
- Still working with VisitNC to book the 2023 365 Conference at Pinehurst. The company that signed the contracts for the meeting The Solutions Center went out of business so VisitNC is in the process of deciding how to handle the contracts. We hope to have a signed contract before the end of 2020.
- Reaching out to all meeting planners who canceled in 2020 to reschedule for 2021. Continuing contact with Association Executives of NC planners, Meeting Professionals Intl.- Carolinas Chapter, Defense Alliance of NC, Society of Government Meeting Planners.
- Continued constant contact via email, individual calls and site visits to area hotels, motels and resorts. Talked with Director of Sales or General Manager to find out what they need and to make sure they are connected to CVB resources. Provided Visitors Guides and Essentials Guides during the visits.
- Continue gathering occupancy and average daily rate as requested by President/CEO.

#### **Chairman's Report-Tom Beddow**

Chairman Beddow mentioned attending an event at the National Athletic Village on Saturday, and that he feels this is an under-utilized asset that Moore County has. Maybe because it is not widely known about. This is a privately owned venue, with indoor and outdoor space available. He also noted that from his CCNC perspective, things are going great. They've had 100 new memberships this year, which hasn't happened in many years. Their courses are in great shape, and the pickle ball courts have been well received. The clubhouse renovation will be completed soon. The Jr. Amateur is coming up next July and they are starting to recruit volunteers for that.

#### **Allied Reports-Linda Parsons, Pat Corso**

Member Parsons reported that they are 100% remote as they finish construction on their new location. Hopefully it will be finished by November 1<sup>st</sup>. How it will be opened to the public has not yet been determined, but it will be creatively social distanced. The Chamber has had a really good year, with low droppage rates, and members are still joining. Financially it has been a challenging year, due to suspending fees for 3 months, but they are cautiously optimistic that things are improving.

Member Corso reports that with the USGA announcement they are starting to get some calls from some small companies interested in locating here. One was a golf analytics company in VA. Another inquiry was from a company called Golf Squad. They do after school programs for kids in multiple states and they are interested in building a location in Pinehurst, off Hwy 5. There has been interest in Member Corso speaking at different meetings regarding the impact of the USGA initiative on our area and the state. One disadvantage we have, is that there are not any available buildings or an industrial park here, to draw these businesses to the area. They are still working on Life Sciences with First Health, on their clinical trials program. And there is a possibility of obtaining the old buggy factory building in Carthage, for the entrepreneurship hub.

**Unfinished Business:**

In unfinished business the subject of raising the Room Occupancy Tax was brought up. Member Little stated he and Member Miller have spoken to a couple, of the commissioners, and they gave positive feedback as far as support of passing that. Once the election is over, more conversation may take place, and hopefully it will get approved by the commissioners.

**New Business:**

There was no new business brought before the board.

Chairman Beddow stated the next meeting is tentatively scheduled for December 10, 2020.

With no further business, Chairman Beddow asked for a motion to adjourn the meeting. Member Little made the motion and Member Miller seconded. The motion passed. The meeting was adjourned at 11:15 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kelly R. Miller".

Kelly Miller, Secretary/Treasurer