Members present: Tom Beddow, Tom Pashley, Andy Hofmann, Bonnie McPeake, Frank Quis, Pat Corso, Caroline Xiong, Wayne Vest, Kelly Miller-via telephone

Not present: Linda Parsons, George Little

Staff present: Phil Werz, Donna Garner, Beverly Stewart

The meeting was called to order at 4:01 p.m. by Chairman Beddow. He then made introductions of everyone who was in attendance.

Chairman Beddow entertained a motion to approve the December 10, 2020 minutes. Member Pashley made the motion, Member McPeake seconded it, and the motion passed.

**Financial Report-Secretary/Treasurer Miller**

**Room Tax Collections:**
The pandemic continues to negatively impact the tourism industry, specifically, county occupancy tax collections. For the sixth straight month ending in December, the CVB reports collections down to the previous year. In November and December, collections were down 8% and 18% respectively. Researching back to last March and the first impacts of the pandemic (period of the last 9 months), collections are down 32.1% compared to the same period the previous year.

The negative trend will end in March as we expect to once again exceed pandemic-impacted months, but likely not reach the previous FY, as larger groups and conventions are still not permitted based on the current order from Raleigh.

**Expenditures:**
Through the first six months of the 2020-21 FY (through December), we are in a positive financial position of +127,811 to budget. This is up from $39,025 as reported at our last board meeting in December.

In terms of the monthly collections forecast, we were only off on the negative side by about $6,000, leaving us with a current surplus of about $70,000. We expect to be close to forecast in January and February, as we emerge from the colder/slower months and enter peak spring golf season in March.

**Statement of Financial Position (Balance Sheet):**
Also, you were provided a copy of the Balance Sheet/Statement of Financial Position as of February 1, 2021. This document showed slightly more than $1 million in total assets, about $508,000 in total liabilities, for a total fund balance of nearly $532,000.
One thing to note on the balance sheet, with the two (2) VisitNC grants and the $300,000 budget amendment approved at our last meeting, our annual budget which started the fiscal year at $1.25 million is now at $1.58 million. If our conservative forecast holds for the second half of the fiscal year as expected, we will conclude the year at about $1.64 million. If that holds true, that figure would represent an increase over the previous fiscal year of a little more than 11%.

Member Miller (via phone) entertained a motion to approve the Financial Report. Member McPeake made the motion, Member Hofmann seconded it and the motion passed.

**President & CEO Report-Phil Werz**

Phil began by presenting a slide showing the amounts for 3 budget amendments that the board had previously approved via email, and which needs to be ratified by the board at an official meeting. There were 2 for $15,000 each, and one for -$4,250, for a total of $25,750. Phil explained that these BA’s were done to accept grant money awarded to us by VisitNC, back in the fall. Tom Beddow asked for a motion to approve ratifying the budget amendments. Member Quis made the motion, seconded by Member Pashley and the motion was approved.

Next, Phil gave an update on Board member terms that are expiring this year. Bobbie Rollins term expired on 12/31/20 and she is not re-applying, so her seat is vacant, at the moment. There have been some applicants for Member Rollins’ seat, and hopefully at the next Commissioner’s meeting, a replacement will be appointed. Bonnie McPeake's term will expire on 6/30/21, but being she is the 2nd largest hotelier in the county, she has a permanent seat on the Board, either for herself or whomever she wishes to appoint. Tom Beddow’s seat will also expire on 6/30/21. His is an interested citizen seat, and applications may be submitted to the Clerk to the Board of Commissioners, to fill this seat, upon expiration of his term.

With room occupancy collections being the next item on the agenda, to reiterate what Member Miller said in his report, we are down 18% in the first half of the fiscal year. Until restrictions are lifted for conferences and group meetings to resume, we foresee we will continue to be down in our collections. For every $1 spent on marketing, that equates to $12 in visitor spending in our destination. With that being said, every dollar we can get to market the destination, will in turn bring more revenue to the county. So far this FY, we are below last year, which was a record year, but above the year before that.

Now moving on to actual occupancy information from Smith Travel Research (STR), our numbers for the first half of this FY show that we are below our numbers from the same timeframe last FY. However, in comparing the numbers for the national average and the southeast average we are ahead. But while we are doing better than most, we are not doing okay. We still need additional dollars to market the destination. As for the average daily rate, even though it shows we’re up we don’t have the corporate and group travel right now to negotiate lower rates.

There is a bit of good news with travel trends. Nearly 40% of Americans are feeling less anxious. Vaccines are easing fears as more than 50% are more optimistic about traveling in the next 6 months. 80.2% are planning trips with July being the peak time and the majority are planning on traveling by car. 55.8% are highly open to inspirational travel ads. Phil showed a couple of new ads which will be used, in the near future. One had a tag line that says “Come Home” and the other one “We’ve Missed You…Can’t Wait To See You Again”. Phil showed a couple of slides which outline the perception of travel and leisure activities as being unsafe. The first graphic shows that as of mid-February the trend of it being unsafe to travel is at 46.2%, a record low since the pandemic began. The second one indicates that over 50% of people view outdoor activities as extremely important for their travel plans. Also, 42.1% view food/culinary as important and Moore County has a great foodie scene to attract visitors.
Beverly Stewart Executive Vice President – Activities Update:

- Assisting the Nextgengolf and The PGA of America on a new tournament - PGA’s National Club Championship March 13th-15th 2021 at Pinehurst Resort. This 2021 championship event highlights and celebrates 2020 amateur club champions and their PGA coaches from all around the country. The event will showcase men’s, women’s, and senior club champions from 48 different states and from every type of golf facility from municipal courses to elite private clubs.
  - CVB will provide marketing assistance and video coverage of the event.
  - Will gather overflow rates from local hotels as needed and Welcome Packets for participants.
- Assisting the Colonial Athletic Association to secure a golf course and accommodations for the April 2021 Girls Collegiate Championship.
  - CVB will provide support for this tournament with welcome packets, coupon books, etc.
- Association Executives of NC (AENC)
  - Sponsoring and attending the AENC Spring Conference Feb. 25-26, 2021.
  - Provided Prize for the event from CVB – Weekend Get-a-Way with accommodations and golf for 2 people.
- US Teens and US Kids World Championships:
  - Created and sent US Teens and US Kids 2021 Room Rate and Rebate agreements to hotels, motels, and resorts.
  - Gathering information and created CVB webpage with area info and rates to link directly to US Kids World Championships.
- USGA Tournaments – Planning
  - Met with Cindy Reed, USGA, to go over room inventory of hotels, motels, and resorts in the area available for future USGA tournaments.
  - Working with the USGA to create a contract/agreement for area accommodations.
  - Scheduling meetings with accommodations to review the contract and get room blocks set for 2024.
- Site inspection of area meeting properties for the Knights of Columbus Organizational Meeting July 9-11, 2021.
- Tour the new Moore County Sports Complex with Billy Ransom on February 10th. Working on baseball, softball opportunities for summer/fall 2021.
- Working on new digital guide for Meeting Planners and Weddings. The guide will provide information on venues, activities, and resources for both markets. Both guides can be printed from the CVB website.
- Continuing to reach out to all meeting planners who canceled in 2020 to reschedule for 2021/2022. Continuing contact with Association Executives of NC planners, Meeting Professionals Intl.- Carolinas Chapter, Defense Alliance of NC, Society of Government Meeting Planners.
- Continuing contact via email, individual calls and site visits to area hotels, motels, and resorts.

Special Presentations

Phil introduced a couple of special guests. The first one is Vince Chelena, executive director of NC Travel Industry Association. He brought along Brian Lewis who owns a consulting firm and is also a lobbyist in the state legislature. Mr. Lewis spoke to the board about his role as a lobbyist within the NC General Assembly. Specifically, Lewis represents the NC Travel Industry Association (NCTIA) and monitors and advises the organization and CVB/DMO’s statewide on occupancy tax legislation and how it is being viewed within the legislature.
Lewis provided an overview of the balance of power with the General Assembly and how our local lawmakers play a role in the process. Specific to occupancy tax legislation, he says the Moore County legislation is very clear and unbending. He says while our occupancy tax is currently at 3%, we can request an increase of up to 6% total with a minimum of two-thirds to be used for marketing/promotions and one-third for tourism-related expenditures. By law, only the CVB can define “tourism-related expenditures” and only the CVB and its board can decide how it spends funds collected via occupancy tax, not municipalities or towns. Lewis hinted that any attempt at this point to change the legislation would be defeated in the General Assembly by Julia Howard, who chairs the house finance committee. The subcommittee in the legislature would also oppose and overturn any attempt to change the legislation, as would the NC Travel & Tourism Coalition.

CVB President & CEO, Phil Werz, asked Lewis two questions about his role and ex-officio Pat Corso provided comment about occupancy tax and its protection within NC Travel & Tourism Coalition.

Chris Cavanaugh of Magellan Strategies was the next guest speaker. His presentation to the board highlighted how there is a natural evolution for CVB’s from destination marketer to destination manager. He also discussed the need for guardrails on how occupancy dollars can be invested, and presented potential options for investment, using Buncombe County as one example. He told about several projects that have been funded in Buncombe County, using their product development fund. He also focused on what can and cannot be done with occupancy tax dollars.

**Chairman’s Report-Tom Beddow**
Chairman Beddow gave some remarks regarding potential ideas for marketing with additional dollars if the room occupancy tax is raised. They include sports tourism, town event promotions, fly-ins at both Moore County and Carthage airports, pottery trail and Bear Creek in northern areas of the county, murals, working with economic development. He also talked about several ideas for destination enhancement such as horseback riding trails, an amphitheatre, add and link bike and walking trails, county-wide wayfinding, renovation of the Tufts archives, etc. There is also a potential of working with Aberdeen Carolina & Western Railway to add sidings and infrastructure to attract 3rd party trains and rail enthusiasts.

Phil mentioned that each board member was given updated information regarding VRBO and Airbnb numbers in the county. He stated that according to our research approximately half are listed on both sites. He also added that he has copies of our last FY audit report by Elliott Davis, for any board member that would like a copy.

Chairman Beddow asked for a motion to adjourn the meeting. Member McPeake made the motion and Member Pashley seconded it and the motion passed. The meeting was adjourned at 5.57 p.m.

Respectfully submitted,

Kelly Miller, Secretary/Treasurer