



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

**Board Meeting  
Monday, August 19, 2021**

Members present: Tom Pashley, Andy Hofmann, Bonnie McPeake, George Little, Matt, Hauser, Warren Lewis, Linda Parsons, Natalie Hawkins

Not present: Kelly Miller, Frank Quis, Caroline Xiong, Wayne Vest

Staff present: Phil Werz, Donna Garner, Dan Dreyer

The meeting was called to order at 3:03 p.m. by Chairman Pashley.

Chairman Pashley entertained a motion to approve the June 21, 2021 minutes. Member Little made the motion, Member McPeake seconded it, and the motion passed.

**Financial Report-Secretary/Treasurer Miller-(Chairman Pashley read in Member Miller's absence)**

**Room Tax Collections:**

We finished the 2020-21 FY with an all-time record for occupancy tax collections at just under \$2.2 million. The official sum was \$2,193,737 or \$6,262 under \$2.20 million. We broke the previous all-time FY record at 16.3%.

**Expenditures:**

We ended the month of June in a positive and strong financial position of +\$75,486 to budget.

With the 2020-21 FY ending, we realized a surplus to the budget of \$472,613. This sum will roll over to the fund balance.

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

Also, you were provided a copy of the Balance Sheet/Statement of Financial Position as of August 3, 2021. This document showed slightly more than \$1.4 million in total assets, \$505,000 in total liabilities, for a total fund balance of \$951,100.

Chairman Pashley entertained a motion to approve the Financial Report. Member McPeake made the motion, Member Little seconded it, and the motion passed.

Chairman Pashley brought up the nominations of Kelly Miller as Vice-chairman and Andy Hofmann for Secretary/Treasurer. He then opened the floor for any other nominations for these positions. With no additional nominations made, he asked for a motion to appoint Kelly Miller as Vice-chairman and Andy Hofmann as Secretary/Treasurer for the next two years. Member Little made the motion, Member McPeake seconded it, and the motion passed.

### **President & CEO Report-Phil Werz**

Phil began by thanking everyone for a team effort in having a record-breaking year in the midst of a pandemic. Phil stated as he has numerous times, “thank God for golf.” It really is the driving force behind our rebounding numbers. He also welcomed Chef Warren Lewis, as the newest appointed Board Member.

As stated previously, we finished the 20-21 fiscal year with \$2,193,737 in collections. This beat the previous high by 16.3% and broke the \$2 million mark for the first time. New all-time record months in January, March, April and May. The occupancy numbers for March, April, May and June averaged 76%, which is phenomenal. Chairman Pashley brought up the fact that supply has increased, ie...there are more available rooms in the county now, than there used to be. There was also discussion regarding the fact that business travel is down considerably, and leisure travel has significantly increased. The higher leisure rates lead to higher ADR's, which means increased tax revenue.

Next Phil gave an update on how our marketing is going. Our website traffic is up 106% with 172,000 more people exposed to homeofgolf.com. There has been more highly engaged traffic with 40,000 + more site visits that stayed over 1 minute and 40,000 more outbound link clicks. Package deals and lodging pages were exposed to over 27,000 more people. He showed a slide of the different pages on the website and how many views each has gotten, along with the demographic areas that are viewing it. In summation, the marketing is going very well to bring more people to the website, which in turn is bringing more visitors to the destination.

Each board member received a pack of the recipe trading cards, that the CVB did as a fundraising event during the early part of the pandemic, to provide assistance, to the hospitality industry. We raised \$1,000 selling these cards, which was not as much as we had originally hoped, but still a substantial amount. As head of the group formed to support the local restauraners affected by the pandemic, Mark Elliott chose to give the money to the Culinary Arts and Pastry Arts program at Sandhills Community College. In order to issue a check to SCC for this amount, a budget amendment needs to be approved by the board. Phil asked for a motion to approve the budget amendment to transfer \$1,000, from the fund balance, to the current budget, and issue a check to the SCC Culinary Arts and Pastry Arts Program. Member Lewis made the motion, Member Parsons seconded it, and the motion passed.

Phil gave some statistics of information he gathered from the VisitNC website on 2020 overnight visitors in North Carolina:

- In 2020, approximately 26 million overnight person-trips were taken in NC.
- 84% of all domestic visitors came to NC for leisure purposes, while 12% came to conduct business.
- The majority of travelers to and within NC, in 2020, visited during the summer, followed by fall and winter.
- The party size for the average NC overnight visitor party was 2.8 in 2020. 33%of travel parties included children under the age of 18.
- The average NC visitor party trip expenditure was \$452 in 2020. Overnight visitors spent \$603, while daytrip parties spend \$120 on average.
- The top states of origin of overnight visitors in 2020 were NC, VA, SC, FL, GA, TN, PA, NY, MD and OH.

Phil went over media visitors coming to the destination between August through October, which includes: Jason Lusk-Golfweek, Carl Hedlinger-NC Tripping, Meghan Grant-SM influencer, Tony Leodora-Traveling Golfer, Dave Donelson-Westchester Mag, and Tom Lang-Michigan Golf Journal.

Next Phil introduced Dan Dreyer, our Destination Storyteller, to give a brief presentation about the mural, that he and his brother, have been commissioned, to paint in Carthage. Dan presented a handout that outlined the key aspects of the mural, which is a depiction of the life of Tommy Prickett, of Fry & Prickett Funeral Home. They have incorporated a QR code into the mural, which if you scan it with a smartphone, will take you to a video, that tells the story behind the mural. Dan hopes that after this mural is finished, the mural committee will allow him to do QR codes and videos, for the other murals, that were previously painted.

Phil then showed the board a video Dan has done to promote the Pinehurst Barbecue Festival, which is September 3-5, 2021.

Next Phil turned the floor over to Chris Cavanaugh, with Magellan Strategy Group. Chris was hired to do a strategic marketing plan, back in early 2020, before the pandemic hit. It was put on hold, and we are now looking, to have him to complete this project. Chris' primary purpose in being at today's meeting is to gather information, from each board member, on how they feel the destination is rebounding from the pandemic. The board members had a very lengthy, and engaging discussion regarding how the destination is doing now and where they hope to see it going in the future. Chris took lots of notes and asked key questions to initialize input from the board. At the end of the discussion, Chris told the board that the next step would be conducting a survey, of all the tourism partners and stakeholders, of the CVB, using our database. He also wants to get feedback from the CVB staff, as well as Martin Armes and the Media One team. Then come back and present some long-range plans for the final product.

#### **Allied Reports-Linda Parsons**

Member Parsons stated that 2021 has been a great year so far for Chamber membership growth and sustainability. The collaborative workspace has been very active, with 848 bookings since March 15<sup>th</sup>. They will be launching their fee structure in September. They have four major functions scheduled this fall. Also, she and Natalie have been working on some long-term strategies for workforce development.

#### **Unfinished Business-Occupancy Tax Increase**

Chairman Pashley stated that he thought the board should rescind their request to the Commissioners to increase the Room Occupancy Tax rate. Last spring, at the time the request was formally made, the board's feeling was that the increase was needed to help sustain the CVB, and to provide additional needed funds for marketing. With us finishing the 20-21 fiscal year, with record collections, that feeling has now changed, as we are doing quite well without the increase. That is not to say we won't revisit this issue in the future. Chairman Pashley entertained a motion to notify the commissioners that the CVB Board of Directors would like to formally withdraw their request, to increase the Room Occupancy Tax rate, at this time. Member Little made the motion, Member Lewis seconded it and the motion passed.

#### **Committee Assignments**

The proposed committee assignments were sent out to each board member prior to today's meeting for review. The Destination Enhancement Fund Committee was included in the list of committees. With the previous motion to rescind our request to increase the occupancy tax rate, Chairman Pashley said this committee should be dissolved. Member Lewis said being that we were going to revisit the issue of the room tax increase in the future, we should keep this committee. The board decided to

temporarily make this an “inactive” committee. Chairman Pashley opened the floor for other nominations to the remaining boards, or changes to the assignments as sent out. With no additions or changes, Chairman Pashley entertained a motion to accept the committee assignments. Member Parsons made the motion, Member Little seconded it, and the motion passed.

With no further business, Chairman Pashley stated that the next meeting is tentatively scheduled for some time in November. Phil invited the board over to our new office space, to see how we have gotten settled in, and for light refreshments. The meeting was adjourned at 4:55 p.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Andy Hofmann". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Andy Hofmann, Secretary/Treasurer