



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

**Board Meeting
Thursday, November 18, 2021**

Members present: Tom Pashley, Andy Hofmann, George Little, Matt Hausser, Warren Lewis, Linda Parsons, Frank Quis, Caroline Xiong

Present Via Zoom: Bonnie McPeake, Kelly Miller

Not present: Natalie Hawkins, Wayne Vest

Staff present: Phil Werz, Donna Garner, Dan Dreyer

The meeting was called to order at 4:04 p.m. by Chairman Pashley.

Chairman Pashley entertained a motion to approve the August 19, 2021 minutes. Member Parsons made the motion, Member Quis seconded it, and the motion passed.

Financial Report-Secretary/Treasurer Hofman

Room Tax Collections:

After the first three months of the fiscal year (July-September), \$795,868 in occupancy tax has been collected. All three months were over \$250,000 and each month an all-time record. We are 61.5% ahead of pace from the record-breaking fiscal year of 2020-21. That has translated to collections currently \$336,000 more than the forecasted budget, for the fiscal year.

Expenditures:

We ended the month of September in a positive and strong financial position of +\$155,510 to budget. However, the CVB had a very ambitious and comprehensive media schedule in October, and into November, especially in digital marketing, which will show us running closer to budget through the rest of the Fall.

Statement of Financial Position (Balance Sheet):

Also, you were provided a copy of the Balance Sheet/Statement of Financial Position as of Nov. 1, 2021. This document showed slightly more than \$1.7 million in total assets, \$617,000 in total liabilities, for a total fund balance of \$1.3 million.

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

President & CEO Report-Phil Werz

Phil began with an update of the occupancy tax collections for the 21-22 fiscal year so far. For July-September, all three months are all-time records. We are up 67.3% year over year. In the CVB history, we have never collected \$1 million in the first 6 months of any FY, and we will do it in 4 months this FY. By doing so, we will have exceeded forecasted budget collections by \$336,000. Phil then presented a request to the board for a budget amendment to move \$325,000 from the excess collections into our operating budget lines as follows: Digital Marketing-\$300,000, Destination Guide-\$20,000 and Print/Advertise/Media-\$5,000. There was some discussion regarding the breakdown of the \$300,000 going to Digital Marketing and how it would be spent. Chairman Pashley entertained a motion to approve the budget amendment in the amount of \$325,000. Member Lewis made the motion, Member Hofmann seconded it and the motion passed.

Our occupancy numbers for the first quarter of the FY are up by 28.7% over last year, but slightly up from pre-pandemic numbers. And the ADR (average daily rate) is up from last year as well.

The Donald Ross Sportswear Branding Partnership campaign ran from September 10th through October 3rd. It reached more than 2,000,000 nationwide between databases & third-party emails. There were 22,811 entries, 12,046 opt ins and 11,242 Donald Ross opt ins. This puts the CVB email database at just under 60,000. The winner of the contest was Chris Moore, from Brighton MI.

Our website traffic continues on an upward trend and organic traffic is up 48.3%. Media One digital traffic was down, as opposed to the same period last year. However, last October we received funds from the VisitNC recovery grant, which significantly boosted our media buys. Phil showed a slide with charts showing overall website visitor locations. Raleigh/Durham/Fayetteville, Charlotte, and Atlanta are the top 3 markets in all 3 tracked fields. There was a link to the Moore County Airport's site that shows a really cool video of the flights in and out of the airport, and where they are coming from and going to.

We are working closely with the USGA to provide marketing assistance for the 2022 US Women's Open. The Women's Open trophy will be displayed on the front cover of the 2022 Destination Guide. There will also be a special US Women's Open insert, to be included in half of the guides, which will be distributed the first half of the year. There will be monthly advancer videos, social media awareness, ticket pushes, sweepstakes, and championship week events.

Phil presented a list of proposed meeting dates for 2022. They are January 20th, March 24th, May 19th, July 21st, September 22, December 8th. All of these proposed dates are Thursdays at 4pm with locations to be determined.

Next Phil gave an update on a new platform the CVB is working on to launch January 4, 2022. It is a bi-monthly podcast called Paradise in the Pines. This is being accomplished in partnership with SCC and BPAC. Phil stated there are less than 10 NC CVB's producing podcasts and we're the only one of our size to produce one. There will be a variety of topics and guests highlighted in these podcasts. Recently Chairman Pashley was a guest speaker in recording an episode. The board was shown a trailer video, highlighting some guests we have already recorded, for the launch in January.

Next, a video Dan did, on the renovation of Southern Pines Golf Club, under the new management, of Member Miller, was shown to the board. Congratulations to Member Miller on this lovely renovated course.

Phil reported that the NC Restaurant & Lodging Association will be giving \$500 million in direct state grants to businesses that can show their sales are down by 20% during the period of April 2020-March 2021. You can get as much as 10% back. These are not loans, but direct cash payments. There will also be \$5 million for workforce development, which will be a statewide campaign to recruit workers back to the hospitality/tourism industry.

Phil gave accolades to Member Little for being named National Trustee of the Year from the Association of Community College Trustees. He was chosen out of about 10,000 trustees and recognized in San Diego in October. He has served on the Sandhills Community College Board for 41 years and spent 35 years as Board Chair.

Next Phil introduced Chris Cavanaugh, with Magellan Strategy Group. Chris is here to give an update on our strategic marketing plan. During this process, he has received input from several sources including the Board, CVB staff, Martin Armes and tourism partners. He has analyzed data from resources such as the STR reports, AirDNA reports, VisitNC annual tourism economic impact, and secondary data sources. Chris outlined goals of the plan which will include

- Establish the Pinehurst, Southern Pines, Aberdeen Area as the must play, must visit Home of American Golf.
- Grow the Moore County visitor economy and create more opportunities for businesses to thrive.
- Enhance the competitiveness of the destination, as the recovery from the pandemic continues.
- Preserve quality of life and quality of visit through intentional destination marketing strategies.

Chris then shared 10 Destination Marketing Strategies that will help in reaching the above listed goals:

- Lean into Golf.
- Invest in video.
- Cast a wider net.
- Activate visitor dispersal tactics.
- Connect visitors to outdoor activities.
- Support niche interests and other non-golf pursuits.
- Invest in market intelligence.
- Engage visitor retention tactics to offset increased competition.
- Build off and shoulder season business.
- Embrace destination marketing to foster all forms of economic development.

In his presentation, he went through each strategy and explained in more detail what each one entailed. He will present a finished plan at our next board meeting in January.

Allied Reports-Linda Parsons

Member Parsons stated their coworker space “pay to play” fees began in September, and usage has decreased since that was implemented. They have tried to come up with a unique and clever name for the coworker space, but finally settled on “The Third Floor”, as that was what it has been commonly called. So, signage to that effect has been ordered, and will be coming soon. She also reported on her involvement with a committee to help with workforce issues, that all businesses are currently dealing with.

New Business-Funding To Promote The Hospitality Industry As A Career

With no unfinished business, Chairman Pashley brought up, as New Business, the proposal of using some of the Room Occupancy funds, to help promote the hospitality industry as a career. With hospitality directly affecting tourism, he feels this is an appropriate use of some of our funding. This

opened discussion regarding key factors that are a hinderance to hospitality workers. The main one being affordable and accessible housing. Transportation and affordable childcare were also mentioned. Chairman Pashley asked the board to give some thought to this issue, and further discussion will occur at the next meeting.

With no further business, Chairman Pashley stated that the next meeting is scheduled for January 20, 2022. The meeting was adjourned at 5:55 p.m.

Members that left before the meeting adjourned: George Little at 5:06 p.m., to attend a previously scheduled meeting.

Respectfully submitted,

A handwritten signature in black ink that reads "Andy Hofmann". The signature is written in a cursive style with a large, sweeping flourish at the end.

Andy Hofmann, Secretary/Treasurer