



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

**Board Meeting
Thursday, December 15, 2022**

Members present: Tom Pashley, Kelly Miller, George Little, Matt Hausser, Frank Quis, Andy Hofmann, Bonnie McPeake, Warren Lewis, Natalie Dean-Hawkins, Linda Parsons, Caroline Xiong

Not present: Wayne Vest

Staff present: Phil Werz, Donna Garner

The meeting was called to order at 4:06 p.m. by Chairman Pashley.

Chairman Pashley entertained a motion to approve the October 20, 2022 minutes. Member Miller made the motion to approve the minutes, Member Parsons seconded it, and the motion passed.

Financial Report-Andy Hofmann

Room Tax Collections:

The CVB continues to see increased momentum in hotel occupancy tax collections and is currently pacing 8.1% ahead of pace compared to the first four months of 2022-23 fiscal year. Fall golf season has been the best all-time in terms of collections and after October, we are in the midst of 20 straight months of all-time high marks.

Expenditures:

We ended the month of October \$261,000 to the positive side of budget and forecast and we will be seeking a budget amendment to move some of those surplus dollars to the operating budget. In light of the recent power outage, the CVB spent \$50,000 on a digital ad campaign, along with social media and PR efforts to launch Moore Miracles for the Holidays, to urge people to purchase gift cards and visit the destination, to support our local businesses in Moore County.

Statement of Financial Position (Balance Sheet):

Also, you were provided a copy of the Balance Sheet/Statement of Financial Position as of October 6, 2022. The balance sheet showed \$2.6 million in total assets, \$957,000 in total liabilities, for a total fund balance of a little more than \$1.6 million.

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

President & CEO Report-Phil Werz

For the first 4 months of this fiscal year, we have collected \$1.2 million dollars, and we are pacing 8.1% ahead of last FY. October's collections of \$376,423 is the 2nd highest of all time. From October to October, occupancy numbers are flat, but the average daily rate (ADR) is up 9.3%.

With the recent power outage, the CVB used \$50,000 for the Moore Miracles Campaign. \$30,000 was for paid Facebook and social media ads, \$10,000 Native Prospecting/Retargeting, and \$10,000 for YouTube. There was also a pop-up banner and redirect on our website. Media One played a key role in getting this campaign going and out there, which was a feat on such short notice. The goal of this campaign is to get people to buy local for Christmas, shop in our stores, eat in our restaurants and come visit and stay in our hotels. We also received support from Duke Energy and WRAL in showing commercial spots for this campaign. Also, Governor Cooper and his wife came into town as a result of the campaign (this was reported to us by a couple of sources) and did some shopping at local businesses.

Another idea that came out of the Moore Miracles Campaign is a program called Street Corner Karaoke. Patrick McKee, a local entertainer, will be teaming up with us, and some local realtors, to do some pop-up karaoke events in Southern Pines, Pinehurst, and Aberdeen. Three (3) real estate entities (Sotheby's International, Lin Hutaff Pinehurst Real Estate and Berkshire-Hathaway) will donate funds (\$500 in gift cards at \$25 increments) to purchase gift cards to areas businesses. During these three events, people will walkup and submit their name, and then if their name is drawn, they sing a Christmas carol and receive a \$25 gift card to a local business.

Next, Phil stated that 2023 has been designated the "Year of the Trail" in NC and we have some very exciting initiatives to celebrate that campaign. First, we just kicked off our Sandhills Wine Trail, which is a spinoff of the Sandhills Pour Tour. We have printed Wine Passports and when you visit six (6) local wine establishments and make a purchase and get it stamped. Then bring it in to the CVB for prizes.

For our Pinecone Pathways program, we have purchased a pinecone mold and Starworks in Star, NC will produce 150 glass pinecones in different colors, which will be hidden along trails, across Moore County. Each pinecone will have a tag attached, with a QR code, that will take you to our website to learn more about the program and allow the person to register their pinecone. Phil passed around the sample pinecones we have gotten so far from Starworks, for the board to see. They are beautiful and we feel this is going to be a very popular program. The plan is to do something in the fall, with area potters and pumpkins.

The Carthage Mural Trail program is a plan to make videos for all the murals in Carthage. There will be nice plaques made that will have a QR code you can scan, and it will show you a video, that tells the story behind that mural. Phil then showed the video Dan has made that tells the story of the James McConnell mural, and his mission flying in France, during WWI.

Phil gave an update on the Sandhills Story Trails. This is a program thought up by Ashley and Dan. Dan will be making cut out Pooh character scenes that he will design and paint. Each scene will have a QR code painted onto it, that when you scan it, will take you to an original Pooh story written and read by Dan. Phil brought in the first scene Dan has finished for the board members to see. He also played an audio clip of Dan reading the story. The Board was very impressed by Dan's talent, as he did the voices in this clip. There will be several of these trails, but the first one will be placed at Nick's Creek.

Ashley has been working on getting consistent signage for all the trails throughout the county. Each trail will have signage that gives, the name, length, difficulty level, etc. Pinehurst Medical has agreed to cover the cost of this project.

Next, Phil asked the board for approval of a budget amendment, in the amount of \$200,000 to be brought into this fiscal year working budget from net room occupancy collections. As stated previously, we are ahead of proposed collections, in the first 4 months of the fiscal year, so we would like to move additional dollars into the budget to use during this fiscal year. Phil gave each board member a breakdown of how this money will be used. \$135,000 will be used in promotions for the Year of the Trail programs, and Moore Miracles. \$50,000 in digital marketing for additional media buys, and \$15,000 in public relations for Spring Writers FAM. Chairman Pashley asked for a motion to approve this \$200,000 budget amendment. Member Miller made the motion, Member Parsons seconded it and the motion passed.

Phil then stated that due to some change in legislation the amount of bond that is needed for Caroline, as the CVB's Finance Officer has increased. We currently have \$50,000 bond on her, but now we need to increase the bond amount to the greater of either \$50,000 or 10% of the unit's operating budget. So with our budget being 2.6 million, Caroline will need to be bonded for \$260,000. Even though this is a state requirement and we are required to do it, we still are asking for the board's approval to increase the bond amount for Caroline. Chairman Pashley asked for a motion to approve this increase in the bond amount. Member Parsons made the motion, Member Little seconded it and the motion passed.

Phil gave an in-depth update on the destination survey that was sent out to our email database. He also said he would send out a link to the survey results, for each board member to review at their leisure. Most of the results were very favorable and the findings were not very surprising.

He then showed a slide of the proposed board meetings for the 2023 calendar year, which will be sent to County administration for posting on the County website.

Board Member Reports

Member Parsons stated she just wanted to thank the business community for stepping up and assisting the community during the power outage. She stated that the state chamber and chambers across the state, as well as SC and GA sent us aide during this crisis. In closing, she said the Chamber has had a good year and we'll see what 2023 holds.

Member Hawkins stated that she is working on a lot of things that she is not at liberty to discuss.

Chairman Pashley said that collections may show a decline over the next year as the Carolina undergoes a renovation project, where 60 rooms at the time, will be closed for renovations. This is in preparation for the U S Open in 2024.

Unfinished Business

There was no unfinished business.

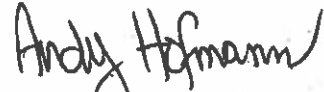
New Business

Member Hausser stated that he'd recently learned that during US Kids/Teens, in the summer, that Pinehurst Resort wouldn't be doing the volunteer lunches any longer. He asked for the board to consider using CVB funds, to cover the costs of these lunches, due to the amount of revenue these tournaments generate each year. The cost of this would be approximately \$25,000. The question was

raised as to if we currently give any funds for these tournaments? Phil stated that we do normally give funding and this past year we gave \$7,500 for the banquet, that was held for the players. Member McPeake expressed that she thought we should provide this funding and wanted to make a motion to go ahead and approve it. It was decided to do additional research and revisit the topic at the next meeting.

Phil invited the Board for a Christmas Dinner to be held at Ashten's, right after the meeting and the meeting was adjourned at 5:15.

Respectfully submitted,

A handwritten signature in black ink that reads "Andy Hofmann". The signature is written in a cursive, slightly slanted style.

Andy Hofmann, Secretary/Treasurer