

MINUTES OF THE HATTIESBURG TOURISM COMMISSION BOARD MEMBERS & MANAGEMENT

Minutes of a regularly scheduled meeting of the Board Members of the Hattiesburg Tourism Commission of the City of Hattiesburg, Mississippi, held at the Lake Terrace Convention Center on:

April 25th, 2018

Be it remembered that on the 25th day of April, the Board Members of the Hattiesburg Tourism Commission met in a regular meeting at the Lake Terrace Convention Center, being a place fixed by law for such meetings. Frank James, Chairman of the Hattiesburg Tourism Commission, called the meeting to order at 11:38 a.m. The following Members of the Board were found to be present:

PRESENT

Bonnie Warren
Frank James
Torksy Williams
Marshall Bell
Fei Xue, Ph.D.
Anthony Harris

ABSENT

Adrienne Garanich-Hicks

ALSO PRESENT

Marlo Dorsey, Management
David Ott, Counsel
Paige Hunt, Sales and Visitor Services
Kristen Brock, Programs and Promotions

Minutes from Previous Board Meetings

Upon motion made by Anthony Harris, duly seconded by Marshall Bell, there was a favorable vote of the Board to approve the minutes of the previous meeting held on February 28th, 2018.

An Executive Session was also held on February 28th, 2018. David Ott, Counsel, provided minutes for this special session to all present Board Members. Upon motion made by Marshall Bell, duly seconded by Bonnie Warren, there was a favorable vote of the Board to approve the Executive Session minutes from February 28th, 2018. Fei Xue abstained from voting, as he was not present during Executive Session.

Financial Report

Marlo Dorsey presented the updated FYE 2018 lodging tax receipts, sharing the hotel listings on file at the state level for the 2% special hotel levy were still not fully updated. The \$70,589 April payment included a large portion of back taxes that had been incorrectly coded for one hotel and sent to the restaurant fund instead. Also, Marlo shared since the prior commission meeting, it was discovered that lodging tax is not being collected from at least 6 area hotels. The MS Department of Revenue is currently performing an audit on all hotel tax collected in Hattiesburg, and the list of hotels has been updated from 25 to 34 since November 2017, which should result in accurate collections moving forward. Marlo has kept the Mayor apprised, and an update from the MS Department of Revenue is expected in June

as the audit process goes forward.

A STR (Smith Travel Research) Report overviewing census figures for overnight stays in Hattiesburg over the past 36 months was provided to Board Members. This report is used by the global hotel industry as a vital revenue management tool and benchmarks hotel performance by property and community. According to the data presented in the STR report, the last 12 months of projected market collections versus actual funds collected in Hattiesburg shows a significant shortfall. Marlo reported that in conversations with the MS Department of Revenue, they indicated their audit process will help to recoup as much of this misallocation and/or shortfall as possible. Moving forward, the Tourism Commission will send hotel inventory updates twice a year to the Department of Revenue to ensure accurate listings and collections in the future as well as notices of any hotel openings, closings, or changes in ownership.

Marlo then presented reconciled balances of all Hattiesburg Tourism Commission's liquid assets. During the last Board Meeting, Members asked Marlo to research a Great Southern National Bank account, which held more than the FDIC-insured amount of \$250,000. Marlo performed research and found that the MS State Treasurer's office will insure this account since it contains public funds. The Board, along with management, decided that these funds shall remain in the current account for the time being.

An update to the FYE 2018 budget, which included an overview and itemized breakdown, was presented to the Board. After reviewing these documents and upon motion by Bonnie Warren, duly seconded by Torsky Williams, there was a unanimous favorable vote of the Board to approve the six-month budget report.

Marlo then presented additional relevant financial reports since the last Commission meeting, including the current Claims Dockets for March through April. Upon motion made by Marshall Bell and duly seconded by Anthony Harris, there was a unanimous favorable vote to approve the Claims Docket and Financial Reports as presented.

Old Business

During the previous Board Meeting, Members gave Marlo the authority to negotiate a lease for office space for the Hattiesburg Tourism Commission. After reviewing all available options and participating in several negotiations with the Hattiesburg Convention Commission, it is Marlo's recommendation to sign a 1-year lease at the current location of 5 Convention Center Plaza and to re-evaluate after 12 months. After a full survey of all Visitors Centers in Mississippi, it was found that no tourism bureau in the State of Mississippi, operating solely on hotel tax collections, funds the operations of a Visitors Center. Marlo reported that while the Visitors Center is a beautiful facility, the Commission should be mindful of how it allocates its limited resources since the Visitors Center was built to primarily serve day-trippers and transient traffic, not overnight guests.

A motion was made by Bonnie Warren, duly seconded by Torsky Williams, for Marlo to enter a 1-year lease at the current location on behalf of the Hattiesburg Tourism Commission while also keeping the Board apprised of any obstacles in securing the lease. After full discussion, the motion unanimously passed with favorable vote.

New Business

Marlo Dorsey reported that the Hattiesburg City Council's proposed 1% special levy tax on both hotels and restaurants has been signed by Governor Bryant and will now be sent out for referendum later this year. To pass, at least 60% of Hattiesburg voters must approve the special levy tax. Mayor Barker asks the Hattiesburg Tourism Commission to support this effort in an effort to grow Hattiesburg's offerings as a tourism destination and its quality of

life.

Now with a full team in place, Marlo Dorsey presented the organizational chart for the Hattiesburg Tourism Commission to review. The chart listed Marlo Dorsey as Executive Director, Paige Hunt as Director of Sales and Visitor Services, Paige Crane as Director of Communications and Digital Strategies, and Kristen Brock as Programs and Promotions Manager. Marlo shared that each staff member's area of responsibility includes specific stakeholders who are a part of VisitHattiesburg's core mission.

Kristen Brock provided updates on the Mississippi Miss Hospitality Competition. It was reported that, with an emphasis on growth for 2018, the program has significantly increased. A financial update was also provided and with the addition of At-Large and Little Miss programs in 2018 growth is expected from these efforts. The Board requested Kristen take notes of anything that could be altered for further improvements next year and an update will be provided at the next Board Meeting.

Marlo then presented tourism and hotel sales updates including highlights of the most recent regional marketing campaign. Paige Hunt provided a report on hotel leads/bids activity and a Visitor Services snapshot of groups recently helped and those being assisted by the Hattiesburg Tourism Commission in the coming months. Paige also reported that the Hattiesburg Hotel and Hospitality Meeting was held in March with 22 attendees from 14 hotels participating.

Board Members were provided with a schedule of events for National Travel and Tourism Week, the highlight of which will be the Shining Stars Luncheon scheduled for May 9, 2018 where more than 30 awards will be presented to local hospitality employees. In addition, VisitHattiesburg is sponsoring the ADP Friday Breakfast on May 11, 2018 in conjunction with National Travel and Tourism Week and was featured in the ADP's most recent issue of their magazine, The Navigator. Highlighted activities, including Travel South Showcase, were also presented.

David Ott provided a legal update that did not require entering Executive Session. He advised Board Members that he is still diligently working on all efforts that have been previously discussed amongst the Board.

Being no other business, the meeting was adjourned.

Hattiesburg Tourism Commission

Frank James, Board Chair

Attested:

Marlo Dorsey, Executive Director