

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 Hattiesburg's Hotel Indigo on:

April 24, 2019

Be it remembered that on the 24th day of April, the Board Members of the Hattiesburg Tourism Commission met in a regular meeting in the conference room of Hotel Indigo Hattiesburg, being a place fixed by law for such meetings. Frank James, Chairman of the Hattiesburg Tourism Commission, called the meeting to order at 11:42 a.m. The following Members of the Board were found to be present:

PRESENT

Bonnie Warren
Frank James
Fei Xue, Ph.D.
Anthony Harris

ABSENT

Torsky Williams
Marshall Bell

ALSO PRESENT

Marlo Dorsey, Management
David Ott, Counsel
Paige Hunt, Sales
Kristen Brock, Programs and Promotions
Shelby, King CPA
Doug King, King CPA

Citizens Forum

Marlo introduced Shelby Quinby and Doug King of King CPA, to present the annual Hattiesburg Tourism Commission audit later in the meeting.

Minutes from Previous Board Meetings

Upon motion made by Anthony Harris, duly seconded by Bonnie Warren, there was a favorable vote of the Board to approve minutes from the most recent meeting held on February 27, 2019.

Financial Report

Marlo presented the financial report. Included was a document with updated tax receipts for the commission's 2% special hotel levy. The report showed a 5.2% increase year-to-date from 2018. Although January and February figures were slightly down, March showed an increase of 30%. Frank James reported that the increase appeared to be group-heavy with multiple professional and sporting groups during March. VisitHattiesburg had worked on several group events last fall for March, and it was a strong month.

Marlo stated that Greater Hattiesburg's tourism grew by 5.2% from 2017 to 2018, which appears to be an ongoing trend

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with positive numbers in 2019 thus far. The VisitHattiesburg staff plans to focus on occupancy rates for local properties with a focus on also encouraging aging properties to provide quality accommodations. With Avid coming on board as a new property in 2019, Hattiesburg will have more than 3,000 hotel rooms.

The claims dockets for the months of February and March were presented, along with reconciled balances of all Hattiesburg Tourism Commission assets through March 31, 2019. The proceeds received from January's insurance settlement has been placed in a high-yielding CD at Regions Bank after a review of rates at several local banks.

A list of assets was presented. The board concurred that they would like to be more aggressive in investments, and Marlo reported that she is looking at higher yielding public fund CD accounts for the funds currently held at Grand Bank and Citizen's National Bank.

Upon motion made by Fei Xue and duly seconded by Anthony Harris, there was a unanimous favorable vote to approve financial reports as presented.

Old Business

As reported during the last meeting, Marlo followed up with the Auditor's Office on an invoice for their associated fees of approximately \$6,500. It was received this week and payment will be made.

Marlo provided a tourism legislative update, reporting that 2019 has been a tremendous year for tourism in the state. Recently, a funding model was signed into law that designates a growth of tourism-specific funds from the currently \$2.2 million to \$5 million beginning in 2019, \$7.5 million in year two, and \$12 million by year three. This results in Mississippi outspending other states in tourism and will provide Hattiesburg with more exposure in the state.

New Business

Doug King presented audit findings for Hattiesburg Tourism Commission in FYE2018. The financial audit verified financial figures, revenue, trends, and expenses for the Commission. After a thorough review, the firm of King CPA found no procedural problems or material errors in the financial information provided. In regard to expenses, King CPA recommends a more detailed breakdown of spending categories that will provide a more specific insight into spending.

Mr. King also reported that the 2% hotel tax collections in Hattiesburg were down slightly in FYE2018 but noted that not all funds were collected by the State over the year, which has now been corrected. He stated that the collection has become more consistent since the error was discovered. Overall, the Commission saw a \$40,000 decrease in cash flow from the year of transition. He ended his presentation by stating his pleasure for the way the staff is handling financial accounts with monthly checks and balances with an outside accounting firm.

After full discussion and upon motion made by Bonnie Warren and duly seconded by Anthony Harris, there was a unanimous favorable vote to accept the FYE2018 audit as presented.

Marlo reported that at one-year lease was renewed for the space at the Hattiesburg Visitors Center, as voted by the Board at the April meeting. Upon signing and without discussion, the lessor of the facility changed housekeeping services from daily to weekly. Bonnie Warren recommended that the lessor's, the Hattiesburg Convention Commission, Board be notified of the change in housekeeping services via mail.

Paige Hunt provided a complete Sales and Visitor Services activities report. Last month, 27 staff members of the State of Mississippi Welcome Centers were hosted in Hattiesburg for a familiarization tour, personally experiencing the
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restaurants, attractions, and activities they'll recommend for visitors stopping at the Welcome Centers. Staff also recently attended TravelSouth Showcase and TN Motorcoach Association, from which a return on investment is already being seen with group tours and travel writers adding Hattiesburg to their itineraries.

Paige also reported that sports groups continue to impact Hattiesburg, with MSHAA state football tournament returning to Hattiesburg in 2020 after an estimated \$2 million economic impact in 2019. In addition, a Hotel and Hospitality Association meeting was recently held where Mayor Toby Barker was the guest speaker, following by a hospitality training session at which 18 hospitality employees from around Hattiesburg were trained. Upcoming, Paige will join Katie Dixon to represent Hattiesburg at the Atlanta Food and Wine Festival.

Marlo reported that VisitHattiesburg was recently recognized by Partners for the Arts as Community Organization of the Year.

A Strategic Plan update was provided by Marlo. Earlier this fiscal year, the Board set aside \$50,000 for a long-range Strategic Plan, at which time a Request for Proposal was opened. Five responses were received and a committee, made up of members from The ADP, Tourism Commission Board, USM, and hoteliers, assembled to review the bids. The top 2 were presented to a larger community committee, at which time Young Strategies was selected. An additional \$5,000 will be spent in FY2020 to include all studies including data analysis and profiles, to total a \$55,000 initial investment.

Upon motion made by Bonnie Warren and duly seconded by Anthony Harris, there was a unanimous favorable vote to accept Young Strategies as the provider and begin the long-range Strategic Plan process.

Kristen Brock provided an updated on National Travel and Tourism Week, to be held the second week of May, and invited the Board to participate in planned activities. In addition, she provided an update on the events recently held with assistance from the Tourism Grant Program, including the Hattie 100 bike ride, Longleaf Trace branding updates, and Rise and Shine Half Marathon. Kristen also provided an updated on the Mississippi Miss Hospitality program, which has seen significant growth in 2019 to 44 contestants and 44 Little Misses for the program scheduled for July 21-27.

Being no other regularly scheduled business, it was decided to enter Executive Session for legal and personnel updates.

The only business was the executive session minutes from the prior meeting, which were discussed and approved. Anthony Harris made the motion to accept the minutes as presented. With a second by Fei Xue and unanimous approval of the Board, the Executive Sessions minutes were approved.

Being no other business, the meeting was adjourned at 1:30pm.

Hattiesburg Tourism Commission:

Frank James, Board Chair

Attested:

Marlo Dorsey, Executive Director