

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, was held at the Hotel Indigo board room on:

February 22, 2023

Be it remembered that on the 22nd day of February, the Board Members of the Hattiesburg Tourism Commission met in person at the Hattiesburg Hotel Indigo board room. Frank James, Chairman of the Hattiesburg Tourism Commission, called the meeting to order at 12:21 p.m. The following Members of the Board were found to be present:

PRESENT

Melanie Archer
Frank James
Shawn Lowrey
Anthony Harris
Bonnie Warren

ABSENT

Dr. Joe Paul
Michael Marks

ALSO PRESENT

Marlo Dorsey, Management
Kristen Brock, Staff
David Ott, Counsel

Citizens Forum

With no members of the public present, Citizens Forum was not held.

Minutes from Previous Board Meetings

After full review and upon motion by Bonnie Warren, duly seconded by Anthony Harris, there was unanimous favorable vote of the board to approve December 2022 meeting minutes.

Financial Report

Dorsey presented the financial report. Included was a document with updated tax receipts for the commission's 2% special hotel levy. For the first five months of FY23, the report showed revenue at \$389,734, a year over year decrease of 10.5%.

Claims dockets for the months of December 2022 and January 2023 were also presented. A listing of all expenditures was provided in full detail by line item, which were all budgeted expenses.

Reconciled balances of all Hattiesburg Tourism Commission assets through January 31, 2023 were

presented, showing a total balance of \$3,668,009.03, including \$1,777,268 in ARPA funds from round 2 of the Tourism Recovery Fund (TRF), as awarded to the Hattiesburg Tourism Commission by the Mississippi legislature. Included on the report were details of each account with financial institution, current interest rates, and maturity dates listed. All accounts have been reconciled by accountants at McArthur, Slay, & Dews, PLLC.

Dorsey also presented a 3-month review of the FY23 budget, which was in line with the approved budget. Discussion was had on the necessary increase in travel commitments for sales, media positioning, and professional development now that in-person gatherings were trending back to pre-pandemic capacity levels.

After a full review and upon a motion made by Melanie Archer and duly seconded by Shawn Lowrey, there was a unanimous favorable vote to approve the financial report as presented.

Old Business

An official copy of the final FY22 audit was presented, which included the PERS pension figures from the state. At the December meeting, commissioners were provided with a draft copy of the FY22 financial audit and statement prepared by King CPA. Doug King presented the full audit report verifying HTC's assets, liabilities, revenue, and expenses from the fiscal year ending 2022. King stated that no exceptions were found and all internal organizational controls were in compliance, noting the firm found no procedural problems or material errors in the financial review of the Hattiesburg Tourism Commission and its programs. As the firm was awaiting the state's final pension and retirement reporting updates from PERS for the year ending June 30, 2022, the report was presented as in draft with that stipulation. The final copy presented today was without stipulation, and after full review of the board and a motion by Bonnie Warren, duly seconded by Anthony Harris, the board unanimously acknowledged receipt and approval of the final FY22 audit.

Dorsey informed the board that round two of the Tourism Recovery Fund (TRF) was distributed, with Hattiesburg's portion of the fund totaling \$1,777,268. With the funds in hand, the Request for Proposal process has begun to secure agencies to assist with marketing and public relations efforts. Dorsey noted the board had adopted the proper procurement policies in previous meetings, and those would be followed to ensure state and federal compliance were met.

Dorsey also presented a copy of the filed 990 tax return for the board's review.

New Business

Dorsey presented the board with documents overviewing Hattiesburg's sports tourism growth strategy. In cooperation with a plan to grow the destination's overall sports tourism sector, a master plan had also been developed for Tatum Park on behalf of the City of Hattiesburg. Marlo presented a recommendation with VisitHattiesburg and Parks and Recreation working together to achieve growth goals, which included hiring a sports tourism professional services firm for a temporary term. After full review and a motion by Shawn Lowrey, seconded by Anthony Harris, the board unanimously agreed to allocate up to \$50,000 in reserves funds to hire a market professional to assist with execution of Hattiesburg's sports growth tourism strategy.

Dorsey provided the board with copies of the published Request for Proposals and qualifications for procurement of professional services using tourism recovery grant funds, seeking agency assistance with

website, digital media, advertising, and public relations services. Agencies are expected to be selected by the end of March, with work to begin this spring.

A fourth-year cooperative agreement between VisitHattiesburg and the Downtown Hattiesburg Association was presented, outlining mutual support services between the organizations. After full review and upon motion by Anthony Harris, duly seconded by Bonnie Warren, the board unanimously agreed to renew the agreement for 2023.

Brock provided a year-over-year overview of tax revenue, showing hotel collections up 4.96% for the year despite recent declining occupancy trends, while restaurant collections are 2.7% higher than the previous year. A list of upcoming group events using VisitHattiesburg services was also presented.

An analytics overview of December 2022 and January 2023 marketing efforts and visitation was presented by Dorsey, showing 3.9 million digital impressions in the last two months and approximately 544,000 direct qualified arrivals in the same time frame. Of note, December's sports tourism sector and holiday event activities attracted significant overnight visitation. Aggressive marketing efforts have also continued despite ARPA Tourism Recovery Funds arriving later than anticipated. As such, Dorsey requested a digital marketing budget increase of \$30,000 in FY23 to avoid a pause in marketing as the RFP process is completed. Upon motion by Shawn Lowrey, duly seconded by Bonnie Warren, the board unanimously voted to apply \$30,000 from the approved operational reserves FY23 line item for marketing purposes.

Brock presented a Programs & Development update, including HAPA's updated policies and procedures. Additionally, a brief update for the 2023 Mississippi Miss Hospitality competition was shared including a list of contestants participating.

Being no other business, and upon motion by Melanie Archer, duly seconded by Anthony Harris, the meeting was adjourned at 1:37 p.m.

Hattiesburg Tourism Commission:

Anthony Harris, Board Vice Chair

Marlo Dorsey, Executive Director