

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 via teleconference on the GoToMeeting platform on:

February 24, 2021

Be it remembered that on the 24th day of February, the Board Members of the Hattiesburg Tourism Commission met via teleconference due to the gathering restrictions of Coronavirus Disease 2019 (COVID-19). Frank James, Chairman of the Hattiesburg Tourism Commission, called the meeting to order at 1:02 p.m. The following Members of the Board were found to be virtually present:

PRESENT

Frank James
Fei Xue, Ph.D.
Melanie Archer
Michael Marks
Shawn Lowrey
Anthony Harris

ABSENT

Bonnie Warren
David Ott, Counsel

ALSO PRESENT

Marlo Dorsey, Management
Kristen Brock, Staff

Citizens Forum

With no public guests present, citizens forum was not held.

Minutes from Previous Board Meetings

After full review and upon motion by Michael Marks, duly seconded by Fei Xue, there was unanimous favorable vote of the board to approve the December 2020 meeting minutes.

Financial Report

Marlo presented the financial report. Included was a document with updated tax receipts for the commission's 2% special hotel levy. As of February, the report showed year-to-date revenue at \$288,247 for FY2021. With an expected decrease due to travel disruptions from Covid-19, Hattiesburg is still performing higher overall compared to other parts of the nation thanks to Tourism Recovery Funding (TRF) provided through CARES Act (HB1790, 1791) that allows Hattiesburg and other MS destinations to market for significant returns on investment.

While the pandemic has caused cancellations of group and convention business, the TRF campaign has focused strongly on outdoor leisure, art, and culinary tourism. Through this campaign that began in August 2020, national STR (Smith Travel Research) data continues to show Mississippi outperforming other states. A year-over-year hotel and restaurant tax revenue update provided to the board illustrated that TRF marketing has benefitted hotels and, especially, restaurants, with a 15.42% decline in hotel tax levies from 2020 to 2021 and a 4.19% decrease in the same period for local restaurants.

The claims dockets for the months of December 2020 and January 2021 were presented. Budgeted expenditures were provided in full detail by line item, along with Tourism Recovery Fund expenses which were recorded and presented separately. Significant TRF investments were made in December, with all expenses budgeted and pre-approved.

After full review of reports and upon motion by Michael Marks, duly seconded by Melanie Archer, there was a unanimous favorable vote to approve expenditures as presented.

Reconciled balances of all Hattiesburg Tourism Commission assets through January 31, 2021 were presented with a total balance of \$1,740,374.62. These funds include TRF, PPP, and recouped funds from previous years' tax collections. 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.

When written, the FY2021 budget forecasted a 30% decline in revenue for the year, but actual revenue reports are currently showing a 15% decrease. A TRF budget update was also presented, listing \$373,316.61 of the \$499,856.00 TRF funding spent. The remaining balance of \$126,539.39 has been allocated for additional tourism recovery marketing efforts in key drive markets.

After a full discussion and upon a motion made by Michael Marks and duly seconded by Melanie Archer, there was a unanimous favorable vote to approve the FY2021 financial update.

Old Business

Marlo provided an update on VisitHattiesburg's move to the Hattiesburg Train Depot. The HTC entered a three-year lease with the City of Hattiesburg to occupy the Train Depot office space and a copy of the agreement is on file with both the City and David Ott, HTC counsel. As a part of the move, the HCC purchased remaining furniture left at the Visitors Center based on fair depreciation values provided by auditor Doug King.

A staffing update by Marlo noted that Paige Hunt, Sales Director, has moved to Starkville to serve as the city's new tourism director. Marlo and Kristen Brock will collaborate on sales efforts for the time being.

New Business

Marlo shared a comprehensive report on Hattiesburg's portion of Mississippi Tourism Recovery grant funds. The "Safely Open for You" campaign continues to yield a strong return on investment with a focus on digital media, social media, online travel agency websites, billboards, streaming audio, and in-market visitor targeting. A condensed review of the first 4 months of the campaign shows 9.9 million overall impressions and nearly 3,000 hours of exposure to potential visitors. Marlo and other state DMO leaders will present results of the TRF campaign with state leadership and elected officials over the next few weeks, showcasing Mississippi as the top performing state in the entire country year-over-year and requesting a round two of funding based on these figures.

Commissioners were presented with a draft of the 2021 cooperative agreement for mutual support services between the Downtown Hattiesburg Association and VisitHattiesburg. No changes were made from the 2020 document. The agreement was presented and passed at the February Downtown Hattiesburg board meeting, pending approval by HTC board members. After full discussion and upon a motion made by Anthony Harris and duly seconded by Melanie Archer, there was a unanimous favorable vote to enter the 2021 cooperative agreement as presented.

Kristen Brock provided a brief overview of current sales efforts, stating that groups are slowly beginning to rebook corporate and convention business for late 2021 and into 2022. Outdoor sporting events are beginning to return to Hattiesburg, with five large-scale tournaments and runs scheduled between February and August.

Brock also presented a Programs & Promotions update, reminding the board that the Mississippi Miss Hospitality competition would return to an in-person format in July 2021 following all local and state safety and gathering guidelines. In addition, travel for the program has resumed as approved by the board at December's meeting.

An update on Hattiesburg Alliance for Public Art (HAPA) activities was presented, including three upcoming public art projects. The inaugural Hattiesburg Art-a-Thon, funded in part by a Visit Mississippi grant, is set to take place for six weeks beginning in April. The event will target visitors within a 300-mile radius to spend multiple days exploring public art in Hattiesburg through a passport system.

A 2021 updated budget and work plan for HAPA was provided to the board. Fundraising efforts will resume at an appropriate time, but a budget consisting of HTC contributions and outside grants provides HAPA the opportunity to still complete a number of large-scale projects and activities in the coming year. After full review and upon motion by Michael Marks, duly seconded by Shawn Lowrey, there was unanimous favorable vote of the board to accept HAPA's updated budget and plan of work.

An overview of VisitHattiesburg's 2020 tourism grant program was presented. In 2020, the board agreed to allow qualifying groups to transfer funding for events disrupted in 2020 to 2021 events if an official request was submitted by the grant recipient. Of 2020 recipients, nine events took place as expected, four requested to use funding differently for 2020 events, and four requested to transfer funds to 2021. Following full review and discussion, and upon a motion made by Shawn Lowrey and duly seconded by Michael Marks, there was a unanimous favorable vote to accept the 2020 tourism grant program report as presented.

Being no other business, and upon motion by Michael Marks, duly seconded by Fei Xue, the meeting was adjourned at 1:57 p.m.

Hattiesburg Tourism Commission:

Frank James, Board Chair

Marlo Dorsey, Executive Director

