

# MINUTES OF THE HATTIESBURG TOURISM COMMISSION BOARD MEMBERS & MANAGEMENT

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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:

**May 6, 2021**

Be it remembered that on the 6<sup>th</sup> day of May, the Board Members of the Hattiesburg Tourism Commission met via teleconference due to the gathering restrictions of 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

**ALSO PRESENT**

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

## **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 Melanie Archer, there was unanimous favorable vote of the board to approve February 2021 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 April, the report showed year-to-date revenue at \$379,719. With a 30% budgeted decrease in income this fiscal year due to travel disruptions from Covid-19, year-to-date income is currently only down by 12.5% and Hattiesburg is performing higher overall compared to other parts of the nation. Recent numbers reflect an increase in leisure and group business.

The claims dockets for the months of March and April 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.

Reconciled balances of all Hattiesburg Tourism Commission assets through April 30, 2021 were presented with a total balance of \$1,646,581. 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. The CD

account held at Trustmark bank expired in April, and funds from that account were transferred to a higher-yielding money market account at Great Southern National Bank. In addition, a PPP loan in the amount of \$76,000 was forgiven in full on April 16, 2021 and those funds were placed in the Region's operating account. Applications have begun for Round 2 of PPP, for which HTC should qualify due to a 25%+ decline in revenue at least one quarter year-over-year. All accounts have been reconciled by accountants at McArthur, Slay, & Dews, PLLC.

Marlo also provided a six-month budget update, showing total revenue ahead of projections. Although some expense categories are over budget due to the way payments fell at the end of FY20, overall figures are right in line with the budget as staff is aggressively approaching marketing and sales campaigns without using reserve funds.

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

### **Old Business**

Kristen provided an update on the FY2021 Hattiesburg Tourism Grant Program, requesting approval for \$20,279 in grant investments, supporting 17 events and activities. This would leave just under \$5,000 for future grant investments in FY2021. After a full discussion and upon a motion made by Michael Marks, duly seconded by Fei Xue, there was a unanimous favorable vote to approve the proposed grant expenditures.

Marlo informed board members that King CPA has been secured to complete the full FY20 audit. The final audit report will be complete in the coming months, at which time it will be presented to the board along with Hattiesburg City Council as legislatively mandated.

The MS Department of Revenue has been in contact with Marlo regarding reporting issues of hotel and restaurant tax revenue. HTC records show approximately \$115,000 in unpaid revenue over the last 18 months, some of which wasn't remitted by properties and some that was mis-coded by DOR. During the investigation, DOR found an error not in HTC's favor of \$30,000 that will be deducted from our next payment due to miscodes, but should balance out with future reallocations. Marlo will continue to work with DOR for a long-term solution of allocation and payment issues.

### **New Business**

HTC's Directors and Officers Liability Insurance, which expires on May 12, is not being renewed by the current provider. Working with SouthGroup for a solution, Marlo and David Ott presented two policy offers from Axis Insurance. After full review and upon motion by Michael Marks, duly seconded by Fei Xue, there was unanimous favorable vote of the board to accept the recommendation of accepting policy coverage by Axis Insurance with a \$35,000 deductible and \$4,739 annual premium.

Marlo shared a comprehensive report on Hattiesburg's portion of Mississippi Tourism Recovery grant funds. "Safely Open for You" campaign expenses have totaled nearly \$600,000, using TRF funding and allocations from the FY2021 operating budget, more than has ever been spent marketing Hattiesburg as a destination. The 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 shows more than 377 million overall impressions from the campaign. A full line item budget was presented, and Marlo reported that she and other state DMO leaders are working to secure additional funding from the American Rescue Plan.

Kristen provided a brief overview of current sales efforts, as work resumes to bring group business to Hattiesburg. Groups are beginning to rebook corporate and convention business for late 2021 and into 2022 and outdoor sporting events have increased significantly, with large-scale tournaments filling hotels in Hattiesburg.

Kristen also presented a Programs & Promotions update, reminding the board that the Mississippi Miss Hospitality competition will return to an in-person format in July 2021 following all local and state safety and gathering guidelines. As a liaison between the HTC and Miss Hospitality boards, Michael spoke on the program from a statewide point-of-view as it continues to gain traction and respect across Mississippi.

An update on Hattiesburg Alliance for Public Art (HAPA) activities was also presented, including the recent completion of “Courage” by River Prince who is also the artist of “Welcome to Midtown”, set to be unveiled in late May. Upcoming projects include additions to the Midtown Murals series along with two large-scale murals in cooperation with the Longleaf Trace and Forrest County Board of Supervisors. Plans are also in the works for a mural at 1001 Main Street adjacent to the Sixth Street Museum District and Longleaf Trace.

Being no other business, and upon motion by Michael Marks, duly seconded by Fei Xue, the meeting was adjourned at 2:02 p.m.

**Hattiesburg Tourism Commission:**

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Frank James, Board Chair

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Marlo Dorsey, Executive Director

