

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 Hotel Indigo board room on:

August 23, 2023

Be it remembered that on the 23rd day of August, 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 12:09 p.m. The following Members of the Board were found to be present:

PRESENT

Melanie Archer
Frank James
Dr. Joe Paul
Shawn Lowrey
Bonnie Warren
Anthony Harris
Michael Marks

ABSENT

ALSO PRESENT

Marlo Dorsey, Management
Kristen Brock, Staff
David Ott, Counsel
Andrea Saffle, Downtown Hattiesburg Association

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 June 2023 meeting minutes as presented.

Financial Report

Dorsey presented the financial report. Included was a document with updated tax receipts for the commission's 2% special hotel levy. With two months remaining in FY23, \$877,165 has been collected, just \$70,275 shy of FY22 tax revenue. The board budgeted for an anticipated 15% reduction in hotel revenue for FY23, and the actual year-to-date decrease is 8.4%.

Claims dockets for the months of June and July 2023 were presented. A listing of all expenditures was provided in full detail by line item, which were all budgeted expenses including \$7,000 in re-allocations for the previously unbudgeted 2023 DYB World Series.

Reconciled balances of all Hattiesburg Tourism Commission assets through July 31, 2023 were presented, showing a total balance of \$3,881,767.80. Included on the report were details of each account with financial institution, current interest rates, and maturity dates listed. The overall balance includes ARPA funds from round 2 of the Tourism Recovery Fund (TRF), as awarded to the Hattiesburg Tourism Commission by the Mississippi legislature, which is being accounted for separately at Hancock Whitney Bank in a checking and money market sweep account. A claims docket of ARPA funding expenditures was also presented. All accounts have been reconciled by accountants at McArthur, Slay, & Dews, PLLC.

Dorsey presented a 10-month FY23 budget comparative analysis from the accountant as well as an internal budget analysis, which was in line with the approved budget and projects overall YTD net income of \$136,177.83.

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

Citizens Forum

Andrea Saffle, executive director of the Downtown Hattiesburg Association (DHA), requested to speak with the commissioners regarding an amendment to DHA's cooperative agreement and funding structure with VisitHATTIESBURG. Saffle overviewed the successes and challenges of DHA, including the recent hiring of a second full-time employee. Saffle requested a one-time increase of the commission's annual contribution to DHA, from approximately \$10,000 of in-kind and financial support to \$35,000 in financial support in FY24.

Following her presentation, Saffle departed the meeting at 12:29 p.m.

Old Business

Dorsey provided an update on round two of the Tourism Recovery Fund (TRF, administered through the Department of Finance and Administration. All YTD expenses were reviewed.

New Business

Dorsey presented the board with a proposed agreement for Round 3 of the Tourism Recovery Fund. The application shows VisitHATTIESBURG receiving funding of \$1,118,240 in this round. After full review and upon motion by Melanie Archer, duly seconded by Michael Marks, the board unanimously agreed to approve funds to be received as presented.

Dorsey informed the board that VisitHATTIESBURG has the opportunity to apply for a Mississippi Main Street Revitalization Grant, created under the Mississippi legislature with oversight by the Mississippi Main Street Association. She explained that the funding requires a financial match and asked the board to consider the grant possibility when reviewing the proposed FY24 budget presentation.

Dorsey presented a budget proposal for FY24. The board reviewed each line item of the budget, which includes no significant material changes from FY23. With \$1,790,000 projected to remain in reserves at the conclusion of FY23, Dorsey recommended moving \$300,000 from Civic Special Attraction reserves to provide a match for the Mississippi Main Street Revitalization Grant, which will help fund a new Visitors Center for the community and space for VisitHATTIESBURG's office operations.

Dr. Paul made a motion to modify the budget as presented by moving an additional \$5,000 from operational reserves to fully fund the Downtown Hattiesburg Association's request of \$35,000 in annual support for FY24 and

to approve the expenditure of matching funds as requested for the Mississippi Main Street Revitalization Grant. After full discussion and a second by Bonnie Warren, the board unanimously agreed to amend the presented budget as discussed.

With the budget modifications noted and upon motion by Joe Paul and duly seconded by Michael Marks, there was a unanimous favorable vote to approve the FY24 budget as discussed.

Dr. Paul exited the meeting at 12:44 p.m. Quorum was still met.

The commission re-visited discussion on the Mississippi Main Street Revitalization Grant, focused on the consideration of renovating current office space or purchasing a building in the gateway of downtown Hattiesburg for complete rehab. After full discussion, Michael Marks made a motion to allow Marlo to work directly with board chair James to review building options prior to the September 8 application deadline and commit to matching up to \$300,000 in funds from FY24 reserves as approved earlier in the meeting. Duly seconded by Shawn Lowrey, the board voted unanimously in the affirmative.

Dorsey provided a 12-month overview of tax revenue from June 2022 to May 2023, showing hotel collections down 2.2% for the year, while restaurant collections are 3.95% higher than the previous year. A list of recent and upcoming group events using VisitHATTIESBURG services was also presented.

In late 2022, Hattiesburg was asked to host the DYB World Series in 2023, one year earlier than the bid they entered for the series. Held July 27-August 1, 2023, the board was provided with an encouraging event update and photos.

Dorsey presented a marketing and public relations update. An analytics overview of June and July 2023 marketing efforts and visitation was presented, showing 2.12 million digital impressions in June and 3.08 million digital impressions in July. Mississippi Miss Hospitality analytics showed 1.22 million digital impressions from May to July 2023. A culinary focused marketing campaign is set to run from August to October 2023.

Brock presented a Programs & Development update, including photos and results from the 2023 Mississippi Miss Hospitality Competition. The 2023 Miss Hospitality line-item budget was presented, with all expenditures previously approved by the board. Upon motion by Shawn Lowrey, duly seconded by Anthony Harris, the board unanimously agreed to approve the 2023 Miss Hospitality budget as presented. A 2024 proposed budget will be presented at October's board meeting.

A HAPA budget was presented, showing five recent or upcoming large-scale mural projects, four of which are fully funded by outside partners and grants.

Being no other business, and upon motion by Michael Marks, duly seconded by Melanie Archer, the meeting was adjourned at 1:28 p.m.

Hattiesburg Tourism Commission:

Frank James, Board Chair

Marlo Dorsey, Executive Director