



FACVB Board Meeting Minutes

October 27, 2021

Board Members Present: Amy Cannon, Jim Grafstrom, Seth Benalt, Tony Kotsopolous, Jimmy Keefe, Byron McNeill, Bianca Shoneman, Shari Fiveash, Adam Collier, Fred Surgeon, Sheba McNeil, Manish Mehta

Board Members Not Present: Renee Lane, Doug Hewett, Sharon Lee, Laura Leal

Additional Attendees: April Adams with Cherry Bekaert, CVB Staff - Kelly Brill, Angie Brady, Melody Foote, David Nash, Isaiah Griffin, Joie Shubert, Jennifer Betslimon, Randy Fiveash

Quorum was present with 9 voting members present, 2 voting members absent

Ms. Cannon called the board meeting to order at 12:02pm. Ms. Cannon begins the board meeting at 12:00 p.m., welcoming everyone and moving straight into Agenda number three introducing Ms. Adams with Cherry Bekaert to present financials and audit results.

Ms. Adams begins with the audit process. Results of the audit were an unmodified opinion. The internal controls included obtaining procedures (example: how the CVB disperses cash), test on controls, review of credit card activity, and reporting any audit adjustments, which were zero. Ms. Adams continues that there was a significant review of the occupancy tax, receivables, and general expenses. They went further to test them and the high-level results from the financial statements where cash, income & investments were down \$210,000, however, the liability (net position) was up \$210,000 from the previous year. Ms. Adams continued with revenues being up \$235,000 and expenses down \$378,000. To summarize, the opinion was unmodified; there were no journal entries adjustments and there was full cooperation from the CVB. Ms. Adams asks if there are any questions, no questions.

Ms. Cannon motions to accept the audit report, Mr. Surgeon seconds the motion, everyone agrees to accept audit report and Ms. Cannon then grants the motion.

Ms. Cannon moves to approve the July 2021 minutes, no changes or corrections being made, Mr. Surgeon motions for approval, Mr. Collier seconds the motion, everyone agrees to accept the July 2021 minutes, Ms. Cannon grants motion to accept.

Ms. Cannon proceeds with the Treasurer's Report from Mr. Grafstrom. Mr. Grafstrom states the income for July was recorded at \$330,000 and expenses were \$249,000. Occupancy tax collections were up, Mr. Grafstrom defers to Ms. Brill. Ms. Brill then states the checking account

shows \$350,288.54, CD's show \$780,362.00. Ms. Brill asks if there are any questions, no questions.

Ms. Cannon then asks if there are any questions regarding the Treasurer's Report or financials. No questions, Ms. Cannon states the budget exceeded expectations.

Ms. Shoneman motions to accept Treasurer's report, Mr. Grafstrom seconds motions, everyone agrees. Mr. Grafstrom then makes an edit to change June to Sept on the report, everyone agrees, and motion is granted.

Ms. Cannon then moves onto the CVB - CEO report.

Mr. Fiveash begins with the board packets and core values listed. Mr. Fiveash asks the board to adopt these as the CVB's core values. He mentions the upcoming meeting with the TDA, where he will provide the strategic plan to the TDA. Mr. Fiveash states there will be a TDA and board meeting every quarter, providing board news and a recap of the previous quarter at each meeting, along with the taxes, budget and financials. Mr. Fiveash states the sports and convention sales will be reported and we are in the process of hiring a Director of Sales. Mr. Fiveash mentions there were some inconsistencies in the past and the current numbers are accurate. Mr. Nash will provide accurate numbers moving forward. Mr. Fiveash offers to sit and speak to anyone individually and proceeds to ask for any questions. Mr. Surgeon asks what the inconsistencies in the sales numbers were. Mr. Fiveash gives an example; convention sales were tentatively booked; 100 rooms were counted every month, as if they were being booked every month. Mr. Fiveash states all mistakes have been corrected and settled; the TDA, Ms. Cannon and Mr. Hewett were aware. Mr. Fiveash asks for any other questions, no questions. Mr. Fiveash suggests a board orientation before the next quarter board meeting. Since Ms. Cannon and Mr. Grafstrom are the only officers, and Mr. Grafstrom is leaving, the orientation will hold an election of officers. Mr. Fiveash will send out more information.

Mr. Fiveash moves to the 3-part research provided; foundational research (stakeholder), cell phone data collected and competitive set research. Mr. Fiveash asks for any questions regarding the research packet provided, no questions were asked.

Mr. Fiveash states the old media agency never went through an RFP process and no presentations were given to the board or TDA. The old agency was given a 90-day notice to end the contract. Mr. Fiveash states the agency had owned everything, including URLs, trademarks, and everything created for the CVB. Mr. Fiveash states he had a conversation with the CEO of old agency, and after further work, as of Friday @ 2pm, FACVB currently owns all work, trademarks, URLs, etc. Mr. Fiveash states Ms. Betshlimon went through four attorneys to get this resolved and Ms. Cannon was kept up to date in the entire process. Mr. Fiveash moves to announce the new agency, Mythic. Mr. Fiveash walks everyone through the RFP process and hands out Mythic packet. Mr. Fiveash states the contract will start with 1 ½ years with two 1-year option of extension, resulting in a total of 3 ½ years. Mythic will attend the board orientation, giving the board an opportunity to meet the new agency. Mr. Fiveash asks for any questions or comments regarding the agency portion, no questions/comments. Mr. Fiveash mentions the media buying agency is Adams and Knight.

Mr. Fiveash asks for motion to affirm the media agency and the core values. Mr. Surgeon makes the motion to approve, Mr. Grafstrom seconds, all agree to Mythic. Ms. Cannon asks for any oppositions, there are none.

Ms. Cannon speaks of Mr. Fiveash and his work with the CVB in the last 5 months as CEO; Mr. Fiveash has provided a strategic plan, has completed a deep dive into operations, reorganized staff with confidence, conducted an RFP process with his team for a new agency, and fought hard with the previous agency to get issues resolved and giving CVB ownership of materials, etc.

Ms. Cannon turns it back over to Mr. Grafstrom for the Crown's report. Mr. Grafstrom explains they reestablished operations (2 sellout concerts, Fayetteville Marksmen returned to action, has a new indoor soccer team/tenant the Fayetteville Fury on January 9th, Disney on Ice, Holly Day Fair, and the Cumberland County Fair lasting 10 days). Mr. Grafstrom states that because the Robeson County Fair was cancelled, they advertised in the Lumberton area and ended up with 40k people total at the Cumberland County Fair; net revenue was up by \$200k and new this year was Big Rocks Amusements.

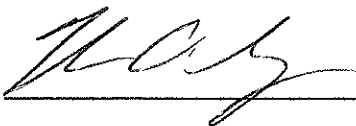
Mr. Grafstrom turns it over to Mr. Benalt, the new Crown GM. Mr. Benalt begins with stating the Magical Cirque Christmas begins November 30. Mr. Benalt states they were able to negotiate with other events to move dates around and also book Magical Cirque Christmas rehearsals in Fayetteville. Mr. Benalt states Magical Cirque Christmas is similar to Cirque Du Soleil and announces live tv with dates in the spring.

Ms. Cannon mentions on Sept 15th there was a Market & Feasibility Study presentation at the Crown, conducted by CSL and the county is prepared to move forward with the multipurpose center. Ms. Cannon asks Commissioner Keefe if he would like to add anything. Commissioner Keefe begins with stating Fayetteville is the only county with 300k people and no performing arts/multi-use venues; the Crown board unanimously voted for the CSL study. Commissioner Keefe mentions the County Commissioners will release the RFP for the owner's representative.

Ms. Cannon asks if there is any further business, no responses.

Ms. Cannon states the next meeting is January 26th, 2022 and will provide further information for the board orientation.

Ms. Cannon motions for the meeting to adjourn, Ms. Shoneman motions, Mr. Collier seconds, all agree, and meeting is adjourned at 1:16pm.



Signature

1-26-2022

Date