

MINUTES OF THE
PITT-GREENVILLE CONVENTION AND VISITORS AUTHORITY
Executive Committee Meeting

Tuesday, February 18, 2025

The Executive Committee of the Pitt-Greenville Convention and Visitors Authority held its February 2025 Executive Committee meeting on Tuesday, February 18, 2025, at Julep restaurant inside the Hilton. CVA Chair Diane Taylor, CVA Vice-Chair Candace Hollingsworth, Secretary Bri Lester, Convention Center liaison Rhesa Tucker, County Commissioner liaison Chris Nunnally, and Executive Director Andrew Schmidt were in attendance. Assistant Secretary Aileen Peacock, City Council liaison Matt Scully, and City Financial Services Director Jacob Joyner were unable to attend.

I. Call to order: CVA Chair Diane Taylor called the meeting to order at 12:07pm. CVA Executive Director Andrew Schmidt shared with the Executive Committee that this was a meeting to discuss the 2025-2026 proposed budget and to get feedback on some proposed job description changes for the Executive Director.

II. Approval of Minutes: CVB Executive Director Andrew Schmidt reviewed the meeting minutes from August 27, 2024, CVA Executive Committee meeting. After reviewing, Convention Center liaison Rhesa Tucker made a motion to approve the minutes. CVA Vice-Chair Candace Hollingsworth seconded the motion. The vote was taken and passed unanimously.

III. 2024-2025 Proposed Budget Discussion Executive Director Andrew Schmidt provided details on his 2024-2025 proposed budget. Schmidt stated that he met with City Finance Director Jacob Joyner on January 17th to review his proposed plan. Joyner stated that he felt comfortable with the numbers presented and currently does not have any concerns about revenues from the occupancy tax.

The proposed 2025-2026 fiscal year budget is based on a 3% increase in occupancy tax revenue from the past year. The 2025-2026 budget is also augmented by \$150,000 in ARPA funds from Pitt County, \$300,000 from the City's Capital Reserve Account help fund sports commission operations and Little League World Series support, and \$110,000 of fund balance which has built up due to increasing revenues. (Currently the CVB's reserve account stands at approximately \$964,022) In summary, the 2025-2026 fiscal year budget is 6% higher than the current 2024-2025 fiscal year budget. This increase in funding will allow us to capitalize on additional marketing opportunities within the leisure, meetings, and sports tourism markets as well as expand the CVB staff by

lone full-time equivalent. According to Tourism Economics, revenues are forecast to continue rising within the meeting, corporate sectors and leisure at a rate of approximately 2.6%. Sports tourism is expected to increase and international travel, which does not affect our hospitality market, is forecast to decrease again this year due to several factors including current exchange rates, slower visa processing, and sentiment effects from political policies. Locally, we have seen excellent convention and meeting business, which is expected to continue throughout the 2025-2026 fiscal year. Our destination should benefit from a modest increase in corporate and leisure travel as we market our outdoor adventure base, growing hospitality amenities, and expanding diverse cultural activities for visitors.

Domestic Leisure

- + Real income growth
- + Solid balance sheets
- + Modest inflation
- + Tax cut extensions
- Softening labor market
- Potential equity market correction

Domestic Business

- + Lower interest rates
- + Expansionary fiscal policy
- + Tax cut extensions
- Potential inflation from tariffs
- Immigration restrictions

International

- + Pent up demand
- + Reduced visa wait times
- + Outbound plateau
- Dollar strength
- Travel restrictions
- Trade war response
- Visa processing risk
- Sentiment effects

 TOURISM ECONOMICS

Business travel intentions are gaining

Planning Business Travel Within the Next 6 Months
% of American Consumers



Source: MMGY Portrait of American Travelers; Tourism Economics Synphory



 TOURISM ECONOMICS

2025-2026 Budget Specifics

1. The CVA and Sports Commission's budgets will continue to be combined for the 2025-2026 fiscal year. Budget expenditures will still be separated and reported utilizing the city's Power BI software and MUNIS. All expenditures used with ARPA funds are tracked and reported quarterly to Pitt County.
2. The 2025-2026 budget reflects the investment of \$300,000 from the Convention & Visitors Authority's Capital Reserve Account to support the Greenville-Pitt County Sports Commission's efforts to increase sports related travel to the area and support the 2025 Little League Softball World Series.
3. The 2025-2026 budget includes \$150,000 of American Rescue Plan Act funds provided from the Pitt County. This upcoming fiscal year will be the last installment of ARPA funds for the CVB. Currently, the CVB has expended \$323,630.01 out of a total of \$600,00 provided. All CVB expenditures associated with the ARPA funds must be spent by December 31, 2026.
4. The CVA plans to utilize \$110,000 from the CVA's fund balance to be more aggressive in its advertising and marketing efforts. Currently, the CVA's Capital Reserve Account has approximately \$964,022. There is a strong likelihood that revenues will come in by over 3% for the year (we are currently sitting at a 7% increase), which would reduce the amount of fund balance needed for the proposed budget. Each 1% above the 3% increase budgeted will reduce fund balance use by \$16,621.46
5. Salary line item. The salary line item is \$52,984 higher than the current fiscal year. The adjustment allows the CVB to expand its staff by one full-time equivalent and provide a 4% salary adjustment for current employees. Benefit calculations have been adjusted to account for the change in salary levels and additional staff. A breakdown of the staff changes and their effect on the overall budget is as follows:

Staff Changes Summary:

Lose: Communications & Marketing Assistant: (\$44,574)

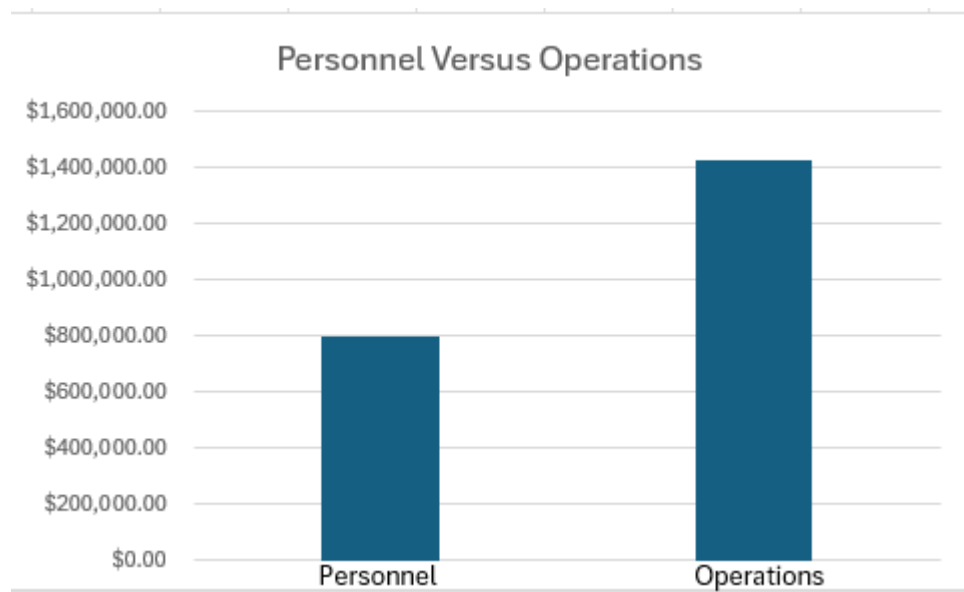
Lose: Part-time Services Manager (\$27,012.96)

Gain: Social Media Specialist: \$48,016

Gain: Visitor Services Manager \$49,518

Result: +\$25,947.04

4% COLA +\$20,320



6. Health/Dental Insurance. This year's budget has seen a very slight increase in allocations for health and dental insurance. This reflects the current make-up of the staff with more single individuals than staff that require insurance only for themselves.
7. Contracted services line item. There is an increase in the contracted services line item to cover inflationary costs. The CVB is seeing cost increases in almost every contracted services line item for the 2025-2026 fiscal year.
8. Advertising line item. There is a modest increase in our advertising line as we would like flexibility to add a few additional marketing opportunities for Greenville-Pitt County during the upcoming fiscal year.

2025-2026 proposed CVA budget-\$2,223,145.96

2025-2026 proposed convention center marketing fund-\$554,048.65

2025-2026 CVA Net budget-\$1,669,698.72

Future Revenue Outlook

1. Two additional hotels opened in February 2025. The Hilton Garden Inn, located in downtown Greenville, added 102 rooms to Greenville-Pitt County's hotel inventory while Staybridge Suites, located in the medical has added 104 extended stay guest rooms. These two new properties should help augment hotel revenues....especially

on special event weekends. The current hotel inventory with the addition of these two properties is approximately 2,300. The number of Airbnb's listed in Greenville-Pitt County has increased by 10% over the last year. All Airbnb's are required to pay occupancy taxes.

2. An additional hotel project has just broken ground in the medical district. Located between the Homewood Suites and Residence Inn, the new property will be Home 2 Suites by the Hilton with 117 rooms. In addition, there are active conversations taking place for a second hotel property to be constructed in the downtown district. Obviously, neither project would affect revenues for the 2025-2026 fiscal year, but it is necessary to track to project long term growth and revenues.

Schmidt asked if there were any additional questions about the proposed budget. There were none. CVA Vice Chair Candace Hollingsworth made a motion to recommend the proposed 2025-2026 budget to the full board. Assistant Secretary Bri Lester seconded the motion, and it passed unanimously.

IV. Job description changes: Schmidt reminded the CVA Executive Committee that he had sent out and discussed some proposed job changes that would allow more flexibility to pursue advocacy and external relation opportunities. Schmidt asked if there were any additional questions or concerns regarding these changes. There were none.

V. Adjournment:

There being no further business, CVA Chair adjourned the meeting at 12:51pm.

Respectfully submitted

Bri Lester
CVA Secretary