

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

Thursday, February 16, 2023

The Executive Committee of the Pitt-Greenville Convention and Visitors Authority held its February 2023 Executive Committee meeting on Thursday, February 16, 2023 at Julep restaurant inside the Hilton. CVA Chair Diane Taylor, CVA Vice-Chair Candace Hollingsworth, Secretary Kenneth Ross, Assistant Secretary Bri Lester, City Financial Services Director Byron Hayes, and Executive Director Andrew Schmidt were in attendance. City Council liaison Rick Smiley, County Commissioner liaison Mary Perkins Williams and Convention Center liaison Rhesa Tucker were unable to attend.

I. Call to order CVA Chair Diane Taylor called the meeting to order at 12:10pm. CVA Executive Director Andrew Schmidt shared with the Executive Committee that this was a meeting to discuss the 2023-2024 proposed budget and that no other items were on the agenda for today.

II. Approval of Minutes CVB Executive Director Andrew Schmidt reviewed the meeting minutes from the August 31, 2022 CVA Executive Committee meeting. After reviewing, CVA Secretary Ken Ross made a motion to approve the minutes. CVA Vice-Chair Candace Hollingsworth seconded the motion. The vote was taken and passed unanimously.

III. 2023-2024 Proposed Budget Discussion Executive Director Andrew Schmidt provided details on his 2023-2024 proposed budget. Schmidt stated the he met with City Finance Director Byron Hayes on January 31st to review his proposed plan. Hayes stated that he felt comfortable with the numbers presented and was happy that occupancy taxes have rebounded and that no fund balance would be utilized in next year's budget. Budget details are as follows:

The proposed 2023-2024 fiscal year budget is based on an 11% increase in occupancy tax revenue from the past year. As a result of the continued recovery from the pandemic and an influx of ARPA funds, the 2023-2024 fiscal year budget is 5% higher than our last pre-pandemic budget. (2018-2019) This increase in funding will allow us to capitalize on additional marketing opportunities within the leisure, meetings, and sports tourism markets. We will also be starting a tourism grant program.

Revenues have rebounded for a variety of reasons. Despite double digit levels of inflation, leisure travel along with sports tourism travel has remained very strong. Convention and meeting business has also increased along with corporate travel. High

demand has allowed our hotels to increase occupancy and average daily rates resulting in higher occupancy tax collections. According to the United States Travel Association, these trends are expected to continue with an even higher rise in the amount of corporate travel during the 2023 calendar year.

1. The CVA and Sports Commission's budgets will continue to be combined for the 2023-2024 fiscal year. Budget expenditures will still be separated and reported utilizing the city's Power BI software. All expenditures spent with APRA funds will be placed in separate line items to insure proper tracking.
2. The 2023-2024 budget reflects the investment of \$300,000 from the CVA'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 Little League Softball World Series.
3. The 2023-2024 budget includes \$240,000 of American Rescue Plan Act funds provided from the county. The CVB is receiving \$150,000 each fiscal year, starting with the 2022-2023 fiscal year. As the initial payment will be received in March of 2023, there will be not time to expend all funds on approved projects, thus \$90,000 will be carried over to the 2023-2024 fiscal year.
4. The CVA does not plan to utilize any of its fund balance during the 2023-2024 fiscal year.
5. Salary line item. The salary line item is \$40,000 higher than the current fiscal year. The adjustment leaves an option to potentially expand the CVB staff during the middle of the fiscal year (entry level) and a 4% salary adjustment for current employees. Benefit calculations have been adjusted to account for the change in salary levels and the possibility of an additional staff member if the need arises. This line item also supports two title changes. Rachel Whitten to be promoted to VP of Sales and Services and Ce'Nedra Dillard to be promoted to Sports Sales Manager.

2022-2023 proposed CVA budget-\$1,894,316.64

2022-2023 proposed convention center marketing fund-\$451,244.26

2022-2023 CVA Net budget-\$1,443,072.28

There will be an additional hotel operating during the 2023-2024 fiscal year. The Homewood Suites is scheduled to open in April of 2023, adding 122 rooms to Greenville-Pitt County's hotel inventory. The Hilton Garden Inn (101 rooms) located on S. Evans Street in the downtown district is scheduled to be open during the last quarter of the 2023-2024 fiscal year. Other hotel projects in the planning process include the Springhill

Suites and the Ficklen Hotel. The Springhill Suites has just broken ground. There is not a date confirmed in which the Ficklen is expected to do so. There are currently 379 Air Bnb's listed in Pitt County. Air Bnb's are required to pay occupancy tax.

CVA Chair Diane Taylor inquired why the retirement line item has been increased by approximately \$16,000. Schmidt replied that the previous retirement percentage per employee paycheck was 6.75%. For the next fiscal year, this will increase to 11%. Finance Director Hayes stated that the state of North Carolina is being pro-active in ensuring that their retirement fund is solvent for the long term.

Schmidt asked if there were any additional questions on the proposed budget. There were none. CVA secretary Ken Ross made a motion to recommend the 2023-2024 proposed budget to the full board. Assistant Secretary Bri Lester seconded the motion and it passed unanimously.

VIII. Adjournment:

There being no further business, CVA Vice-Chair Candace Hollingsworth made a motion to adjourn the meeting at 12:33pm. CVA Secretary Ken Ross seconded the motion which passed unanimously.

Respectfully submitted

Ken Ross
CVA Secretary

