

HAMILTON COUNTY TOURISM, INC. BOARD OF DIRECTORS
37 E. Main Street, Carmel, Indiana
May 6, 2022
Minutes of the Regular Meeting
Hybrid & In-Person Meeting

Attending the meeting in person:

Bob DuBois, Kayla Arnold, Jeffrey Brown, Jimia Smith & Scott Spillman

Attending the meeting virtually:

Mark Truett, Andrew Newport, Kelly Sujka, Vince Dora, Charles Trice, Norman Burns & Chris Stice

Also attending in person:

Brenda Myers, President/CEO; Karen Radcliff, Vice President/CSO; Betsy Ekelof, Director of Operations; Ashley Ledford, Director of Marketing and Promotions; Brad Lynn, Vice President Finance; Mike Thibieau, Vice President, Workforce Strategy; Sarah Buckner, Assistant Director Community Engagement; and, Christine Altman, legal counsel.

I. Welcome

B. DuBois welcomed everyone to the regular Board meeting at 8:35 a.m.

II. Minutes of the February 2022 Annual & Regular Meetings

B. DuBois asked if there were any changes to the March 2022 meeting minutes. There being no changes, S. Spillman moved that the minutes be approved as presented. J. Brown seconded. Motion passed.

III. Financials & Metrics

A. 2022 Occupancy Report – Occupancy through March 2022 for the first quarter of the year was 51.7%, which was 33.5 points over 2021. ADR was \$115.97, or \$25.57 over 2021.

B. 2022 Tax Remittance Report – Through the May deposit (March collections), lodging taxes totaled \$2,145,767.76 or \$685,451.36 over budget. Year-to-date remittances are 47% over budget. B. Myers reminded the Board that HCT did not draw the first three months of remittances on the Tourism Commission Funding Agreement to enable the bond to be retired so this is not reflected on the HCT budget report.

C. 2021 HCT Budget Report – HCT has spent \$1,216,079 out of a \$6,171,535 budget through March 31 or 20%. Net income for the year is \$2,538,339 due to receipt of \$3 million in restricted ARPA grant funds from the county. Without those grant funds, net revenue after expenses is (\$461,661) created by not drawing on the funding agreement with the Tourism Commission for the first quarter of the year. It is anticipated all revenue can be caught up by late summer and may even exceed forecast budget.

D. Bond Payoff Updates – B. Myers noted that the bond was to have been retired on April 19, and the county will notify the Tourism Commission if there are any remaining funds.

J. Brown moved that the financial report be approved as presented. K. Arnold seconded. Motion passed.

E. 2022 Amended Budget for Review – B. Myers presented an amended budget for consideration for 2022. This revised budget differs from the one adopted in November 2021 in the following ways:

- Removes the bond pay-off activity from revenue and expenses.
- Increases the Pulliam and White River grant funds slightly.
- Changes the allocation of the EDA grant for 2022 and splits it into 75% this year and 25% next year.
- Lowers the use of ARPA funds slightly.
- Adds Destination Development investments to accommodate for the additional EDA match needed.
- Adds two new destination development projects: a study of the fairgrounds and a fundraising plan for Coxhall Gardens.
- Pending approval for the planning program proposed, adds to professional fees to cover expenses.
- Reduces wages somewhat due to staff changes.
- Adds slightly to conferences as with new staff, the need to ramp people up quickly is important.

The budget in the board packet differed slightly from the final proposed budget, and much discussion took place concerning this. The in-person packet was updated, but the budget in Boardable was not.

The correct budget forecasts \$4,400,000 from the tourism commission funding agreement and not \$4,392,701. Total revenue for the revised budget is \$6,437,399. Total expenses are proposed at \$6,427,600, leaving an estimated net revenue of expenses of \$9,799.

1) B. Myers also presented a 2022 planning proposal budget and outlined three new contracts proposed to support new planning for 2022. These include: 1) a study by DORIS on workspace; 2) facilitated sessions with leadership by ADVISA; 3) participation in the MMGY Destination NEXT 2.0 self-assessment program. She explained each of these and how as a whole they would contribute to a 2023-2025 plan to finish Vision 2025 and would complement the EDA BEST study.

K. Sujka moved that the budget. N. Burns seconded, adding for clarification the adoption of the final budget version, and with inclusion of the proposed plan investments, be approved. C. Stice noted the conflict with the destination development investment for the Coxhall Gardens fundraising study. Motion passed.

In other financial business, K. Sujka and J. Brown agreed to serve on the Audit Committee.

IV. Old Business

- A. BEST Study Updates – K. Radcliff reported that HCT has now had a follow-up from the EDA but hopes to hear soon. The RFP has been drafted and the steering committee has met again. Everyone is ready to go once approved.
- B. Hospitality Workforce Initiatives Updates – M. Thibideau noted that several hotels have come on Board to be a part of this program and that it would be using certification material from the American Hotel Lodging Association. A video and promotional flyer are being produced and a curriculum specialist hired to create the program. The hope is to launch a class late June/early July. The housekeeping collaboration with Janus is slowly coming together as well with more news to report in late summer.

V. New Business

- A. 2022 Destination Development Grants – S. Buckner presented the list of 2022 Tourism Gives grants. HCT has not awarded grants since 2019. The complete list is in the budget packet. The following grants to representatives of recipient organizations conflicts are declared: Hamilton County Parks (\$1,500); Conner Prairie (\$10,000); Center for the Performing Arts (\$10,000). S. Buckner noted that the two larger grants to Conner Prairie and the Center for the Performing Arts are due to the volume of visitors they attract annually based on data. J. Brown moved that the grants be approved with the noted recusals from Mark Truett, Chris Stice and Norman Burns. J. Smith seconded. Motion passed.
- B. 2023 Appropriations Request and Draft Budget – B. Myers provided a timeline for approval of the 2023 budget which begins with an early appropriations request to the Hamilton County Council through the Hamilton County Auditor’s Office. This paperwork is usually due in mid-June, but the Tourism Commission meets in May and as such the May HCT Board meeting needs to provide a total appropriations request to submit to the Tourism Commission. The budget will go through additional review in October and November. This is especially true as HCT will work on planning for 2023-2025 in the summer and early fall of this year.
Highlights of the 2023 appropriations request include:
Revenue Forecast – HCT predicts 2023 lodging tax remittances to total \$5,475,000, with \$40,000 set aside for Tourism Commission work, leaving a preliminary funding agreement total of \$5,435,000. Other revenue lines include grants, in-kind trade, the HCEDC partnership, the last quarter of the EDA grant and use of \$1,462,650 in ARPA funds.
Expense Summary – The biggest single line item is marketing at \$1.9 million. Conversation centered around a proposed \$1,050,000 set aside for a “BEST” fund – an implementation fund in year one of the BEST grant to prove concept. There was much concern about the size and lack of clarity for this line item and whether it would create challenges in getting the appropriations request adopted. B. Myers noted that the burden was on her to explain the line item to the County Council members. She thought the council would support distribution of capital improvement grants to items that would return on investment for the community and in hotel room sales, which would definitely be part of the criteria. It was discussed that this line item needed to be explained in detail and possibly renamed. B. Myers agreed and said work would be done in this area and she would notify Council members of the purpose of this line item. There being no further discussion, S. Spillman moved that the budget be adopted as presented, noting the need for clarification on the ‘BEST’ line. J. Scott seconded. Motion passed.
- C. 2022 Governance Documents -- T. Rodgers noted that Board members needed to sign Whistleblower Policy paperwork with S. Spillman now the Treasurer and recipient of any concerns by the Board. B. Myers also is a contact for concerns, although if the concerns are about her, Board members should talk with S. Spillman. She also reminded Board members that if they have any new conflicts of interest, they should notify her to declare.

- VI. Adjournment -- There being no further business, K. Arnold moved that the meeting be adjourned at 10:10 a.m. J. Brown seconded. Motion passed.