

**HAMILTON COUNTY TOURISM, INC. BOARD OF DIRECTORS**  
**37 E. Main Street, Carmel, Indiana**  
**Minutes of the Regular Meeting**  
**May 3, 2019**

Attending the meeting were Scott Spillman, Judi Johnson, Bob DuBois, Norman Burns, John Hughey, Mark Truett, Angie Smitherman, Andrew Newport, Al Patterson and Gary Miller.

Also attending were Brenda Myers, President/CEO; Karen Radcliff, Vice President/CSO, Betsy Ekelof, Director of Operations; Ashley Ledford, Director of Marketing and Promotions, Caro Sergi, Director of Marketing, Economic Development; Tina Rodgers, Assistant Director of Resources; Sarah Billman, Assistant Director of Visitor Experience; and, Sarah Buckman, Destination Development Manager. Also attending, Christine Altman, Legal Counsel.

**Executive Session**

At 8:30 a.m., Counselor Altman requested that the HCT Board convene prior to the regular meeting in executive session for the purposes of discussing possible litigation. HCT staff was asked to leave.

**I. Regular Session**

The May meeting of the Hamilton County Tourism, Inc. Board of Directors convened at 8:55 a.m. with Chairman B. DuBois welcoming the staff back into the conference room.

**II. Review of the March 2019 Minutes**

B. Dubois asked whether there were any changes to the March 2019 meeting minutes which had been sent to the board for review. There being no changes suggested, John Hughey moved that the minutes be approved as presented; Norman Burns seconded. Motion passed.

**III. Financials & Metrics**

**A. 2019 YTD Budget Report**

N. Burns repeated his desire to have a budget report that would not only reflect year-to-date and year-to-date-against-budget spending but also year-over-year pace. B. Myers noted that this had been previously requested and a priority would be given to having such a report by the June Board meeting.

- P&L Budget provided was Budget vs. Actual Thru April 30
- All categories tracking as projected, with some (like publications and community development always front-loaded and others like sales back-loaded for the year)
- Health insurance seems a bit up because it's through May and also includes HAS deposits the first of the year
- Only area we are watching is meals/entertainment. To trim the budget, we cut back on this and are using earned credit card points to support some entertainment for larger groups especially. We are still tracking higher than we had hoped and will continue to watch.
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**B. 2019 Occupancy Report**

Hamilton County's first quarter is one of the strongest on record, aside from the 2012 Super Bowl year.

	Occ %		ADR		RevPAR		Percent Change from YTD 2018					
	2019	2018	2019	2018	2019	2018	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Indiana	54.3	53.4	98.11	95.97	53.23	51.29	1.5	2.2	3.8	7.2	3.3	4.8
Hamilton County, IN	57.4	56.8	109.39	108.65	62.81	61.74	1.1	0.7	1.7	7.8	6.0	7.1

**C. 2019 Tax Collections Report**

The 2019 tax collections report through the May 2019 deposit reflects a reduced receipts for November-December 2018 than had been budgeted but includes the stronger January-March 2019 receipts.

	2018 Actual	2019 Request	2019 Actual	YOY Actual Diff	2019 Budget Diff	2019 \$ Diff. Budget
January	\$ 400,309.65	\$ 400,000.00	\$ 377,510.52	-5.6%	-5.6%	\$ (22,489.48)
November						
February	\$ 273,981.31	\$ 275,000.00	\$ 309,814.82	13%	12.6%	\$ 34,814.82
December						
March	\$ 284,826.49	\$ 305,000.00	\$ 289,174.87	1%	-5%	\$ (15,826.00)
January						
April	\$ 318,896.27	\$ 330,000.00	\$ 334,743.61	5%	1%	\$ 4,743.00
February						
May	\$ 419,256.04	\$ 430,000.00	\$ 440,901.98	5%	3%	\$ 10,901.00
<b>Gross Receipts</b>	<b>\$ 5,231,125.75</b>	<b>\$ 5,337,224.06</b>	<b>\$ 1,752,145.80</b>	<b>3%</b>	<b>1%</b>	<b>\$ 12,143.34</b>
<b>Bond Debt</b>	<b>-\$ 261,747.00</b>	<b>\$ (261,723.00)</b>	<b>\$ (109,051.25)</b>			
<b>Carryover</b>	<b>\$ 224,498.94</b>	<b>\$ 224,498.94</b>	<b>\$ 224,498.94</b>			
<b>Net In-Year</b>	<b>\$ 4,969,378.75</b>	<b>\$ 5,300,000.00</b>	<b>\$ 1,867,593.49</b>			<b>\$ 12,143.34</b>

#### **D. 2019 Q1 Key Performance Indicators**

B. Myers noted that all KPI metrics as shown on the chart are on target, and those that are behind are goals that usually do not produce until the third and fourth quarters.

J. Hughey moved that the financial report be accepted as presented. Andrew Newport seconded. Motion passed.

#### **IV. Old Business**

##### **A. HCT Office Updates**

K. Radcliff provided a brief update on the proposed office move.

- No update on architecture.
- Site plan is still relatively the same.
- Old Town is still in agreement with the price range offered in our current purchase order, \$2.7 to \$3.1 M for 12,000sf.
- New updates expected after the election

##### **B. 2020 Destination Development Team Recommendations**

B. Myers provided a sheet that defined the proposed major destination/community development projects being identified for funding in 2020. A Destination Development 2020 review committee met in March and again in May. The committee is comprised of two HCT board members, two tourism commissioners, two county council members and three ex-officio HCT staff members. After the August appropriations hearing, HCT will meet for a last time with the Destination Development 2020 team to fine-tune the funding list and bring it, as part of the HCT budgeting process, to the Board in October.

##### **C. Sponsorship Valuation ROI and Sales Updates**

K. Radcliff updated the Board on activity regarding the sponsorship sales program proposed for both Grand Park and the Hamilton Southeastern Sports (HSE Sports). She reminded the Board that at the March meeting, it asked her to evaluate the commission rate for the project, and while it would be ideal to see a small share or return on investment for those sponsorship sales to replenish the "fund" for future valuations and sales efforts, it was not mandatory. After researching, Radcliff noted:

- HSE SPORTS and Grand Park pleased with sponsorship program and assistance
- HSE SPORTS and Grand Park have contracts with Superlative Group ready to sign that allow sales to begin with 20% commission back to Superlative
- HCT has a simple retainer contract with Superlative Group with expected outcomes through our desire to assist GP and SPORTS
- HCT will have a simple LOA with GP and SPORTS to share in monthly progress reports, shared agreement at the 10month mark to move forward in year two, and a good faith effort to pay back HCT for retainer based upon revenue secured
- All partners are ready to move forward in this 12-month pilot program
- We are now getting requests to support similar projects for other entities

##### **D. Westfield Grand Park Support Task Force**

B. Myers presented notes from the task force asked to review Westfield's proposal to recapture 75% of the lodging tax generated from Grand Park room blocks. The task force included Gary Miller and Andrew Newport, along with Karen Radcliff, Brenda Myers, Laura Kelner and John Towle. Currently, HCT almost meets the 75% "rebate" request with grants and bid support based on in-county room pick-up reports:

- Grand Park In-County Revenue Est. \$337,450
- 75% request by City of Westfield = \$253,087
- HCT 2019 Support = \$238,400
- Difference = \$14,687

Discussion focused on the precedent this would set (answer: room pick-up reports would be required); and, on how to inspire keeping rooms in county (currently, only 56% of Grand Park rooms stay in county due to availability and location, it is assumed). Solutions presented in the report were discussed, and it was suggested HCT meet with the mayor to discuss solutions.

#### **V. New Business**

##### **A. Nickel Plate Express Next Phase**

B. Myers presented an update on the Nickel Plate Express railroad project. In March/April, the entity became cash-flow challenged due to a variety of decisions made at the start of the new year which involved keeping the train running through the winter despite a slim program schedule. Unexpected repairs to the F-9 engine also created funding issues. The Nickel Plate Heritage Railroad, Inc. promissory note with the original operator, Atlanta Pacific Rail, who financed the equipment acquisition and restoration has not

been re-negotiated as planned due to discrepancies as to the amounts advanced, title to the equipment, and the actual obligations incurred by NPHR. B. Myers noted that the marketing team had available \$20,000 to invest in a summer ad campaign to raise awareness and drive revenue. After much discussion about the revisions to the programming and management necessary to assure the viability of the project moving forward and a review of the investment already made in the project the Board determined that one additional conditional grant to support the operation was advisable provided that the conditions discussed were documented and agreed to by the NPHR. A motion was made by J. Johnson that the board convey upon the executive committee the authority to commit up to \$100,000 of contingent grant funding to the Nickel Plate Express for use in operations with appropriate constraints and conditions approved by the executive committee. The motion was seconded by G. Miller. Motion passed. B. Myers will work with Counselor Altman to draft the document for review by the executive committee.

#### **B. 2020 Appropriations Request to the Tourism Commission**

B. Myers reminded the Board that the Hamilton County Visitors and Convention Commission (“Tourism Commission”) would be meeting May 9 and would advance the 2020 recommended appropriations request to the Hamilton County Council in June. HCT provides a draft budget for appropriations planning purposes and provides support documentation for how it estimates tax collections for the coming year.

After much discussion, the HCT leadership team recommends a gross request of \$5,728,723 and a net after bond debt service of \$5,467,000 for 2020. She provided documentation for both the budget and the estimated tax collections request – which is less than one-half the number of room growth in the county for 2020. HCT will bring a revised and final budget to both the HCT Board and the Tourism Commission in October/November respectfully.

N. Burns moved that the appropriations request be advanced as proposed. M. Truett seconded. Motion passed.

#### **C. Recognitions**

B. Myers announced to the Board that HCT has many things to celebrate and asked for time to do so. These celebrations included:

- Once again being named one of Indiana’s “Best Places to Work” by the Indiana Chamber of Commerce.
- Receiving final notice of reaccreditation by Destinations International, with distinction.
- Jordan Musall, Marketing Manager, was named one of Destinations International’s “30 Under 30,” a huge distinction as it is indeed an international recognition and carries with it a year of travel, mentoring and learning
- Whitney Riggs, Public Relations Manager, was asked to serve on a panel at the prestigious Public Relations Society of America (PRSA) annual conference

The Board provided a round of applause for the staff accolades and acknowledged the hard work that it took to achieve these outstanding recognitions.

#### **VII. Partner Highlight: Hamilton County Economic Development Corporation**

As it was past 10 a.m., B. Myers asked Carol Sergi if she could present at the June HCT Board meeting, and she noted that she could.

#### **VIII. Adjournment**

There being no further business, A. Patterson moved that the meeting be adjourned at 10:17 a.m. J. Hughey seconded. Motion passed.