

Hickory-Conover Tourism Development Authority
Regular Meeting Minutes
August 12, 2024, 8:30 a.m.

A Regular Meeting of the Hickory-Conover Tourism Development Authority Board of Directors was held in the MPSV meeting room of the Hickory Metro Convention Center on Monday, August 12, 2024, at 8:30 a.m., with the following members present:

	Bruce Eckard; Chair	
Kimberly George	Tom Hart	Renee Keever
Lindsay Keisler	Brad Lail	Mark Seaman
	Warren Wood	

A quorum was present.

Also present were Rick Beasley; Assistant Hickory City Manager, Terry Taylor; Counsel, Mandy Hildebrand; CEO, Sarah Jones; Director of Sales and Marketing, and Amber Howard; Director of Events/TDA Clerk.

I. Chair Eckard called the meeting to order at 8:37 a.m. All Board Members were present.

II. Persons Wishing to Be Heard (None Appearing)

III. Approval of Minutes

a. Regular Meeting of June 10, 2024 - Chairman Eckard

Chair Eckard moved, seconded by Mr. Seaman, that the Minutes of June 10, 2024, be approved. The motion carried unanimously.

IV. Fiscal Year 2024-2025 HCTDA Board

a. Confirmation of Offices - Ms. Taylor

Ms. Taylor reviewed the chart of Board Members and asked for a vote to confirm the Board Members, Officers and their terms.

Mr. Wood moved, seconded by Mr. Seaman, that the Confirmation of Board Members, Officers and their terms be approved as shown on the chart attached. The motion carried unanimously.

V. Approval of Financial Reports

a. June 2024 - Ms. Howard/Ms. Hildebrand

Ms. Howard presented the Event Revenue Report for June 2024. There were 11 events in June with three of those events being new. We ended the year with event revenue totaling \$656,322.

Ms. Hildebrand said that occupancy tax came in lower than expected for the Fiscal Year.

Ms. Hildebrand reported for the twelfth month of the Fiscal Year, income and expense should be at 100%. Overall, income is at 111.22% of what was budgeted, and expense is at 82.17% of what was budgeted.

Some items that brought attention as the year ended:

- Occupancy Tax was \$25,350 less than expected, which is just 1.06%. FY 22-23 was \$120,000 more than this FY, but that year was a year people were still working remote, spending money, etc.
- Event Revenue - additional revenues due to being able to keep events at the convention center during the renovation and adding new events and meetings.
- Other revenue items were up as well, some not, but it evened out.
- Expenses - close in many line items, but overall, under budget.

Mr. Seaman moved, seconded by Ms. George, that the Finance Report for June 2024 be approved. The motion carried unanimously.

b. July 2024 Finance Report - Ms. Hildebrand

Ms. Hildebrand reported for the first month of the Fiscal Year, income and expense should be at 8%. Overall, income is at 2.48% of what was budgeted without July occupancy tax, and expense is at 3.31% of what was budgeted.

Some expenses that staff will keep an eye on as they will be much higher this FY include utilities. Duke Energy bill last month was close to \$15,000 and this month almost \$16,000. The highest in the previous year was around \$8,000.

Chair Eckard moved, seconded by Mr. Wood, that the Finance Report for July 2024 be approved. The motion carried unanimously.

VI. Ordinance #1 Amending the 2024-2025 Operating Budget Ordinance - Ms. Hildebrand

This Budget Amendment is to transfer \$625,000 from the General Fund and transfer \$566,000 from Capital Reserve Fund.

Ms. Hildebrand gave an overview about the budget ordinance amendments as follows: The budget amendments are to move the funds in Capital Reserve Fund (\$566,000) to the Capital Projects Fund, which has been discussed, but not done yet so need approval from the Board. In addition, adding \$625,000 from the Fund Balance to the Capital Project Fund needs approval by the Board to cover expenses for the additional projects approved by the Board which include additional renovations to offices, replacement of roof, additional parking, and misc. projects with the building which includes replacing all the concrete by the main entrance, furniture and equipment in the new facility, and more. These funds would include spending up to \$225,000 to replace a roof over the 2005 expansion portion of the facility (Catawba section, lobby, EDC, CVB).

The Capital Project Fund has been in place with this current project since 2021 therefore expenses in 2021 and 2022 and early 2023 included architectural expenses for several versions of the plans and all the work it took to get the project approved to go to bid. Therefore, now with these amendments the Capital Project Fund Budget in total is \$4,491,000.

Mr. Seaman moved, seconded by Ms. George, that Ordinance #1 (attached) Amending the 2024-2025 Operating Budget Ordinance be approved. The motion carried unanimously.

VII. Ordinance #1 Amending the 2024-2025 Capital Projects Budget Ordinance - Ms. Hildebrand

This Budget Amendment is to transfer funds to Capital Projects Funds. Information about all the transfers explained at the beginning of discussion detailed why this amendment now is necessary.

Mr. Lail moved, seconded by Mr. Seaman, that Ordinance #1 (attached) Amending the 2024-2025 Operating Budget Ordinance be approved. The motion carried unanimously.

VIII. Ordinance #1 Amending the 2024-2025 Capital Reserve Fund Ordinance - Ms. Hildebrand

This Budget Amendment is to transfer funds to the Capital Reserve Fund. Information about all the transfers explained at the beginning of discussion detailed why this amendment is necessary.

Mr. Seaman moved, seconded by Ms. George, that Ordinance #1 (attached) Amending the 2024-2025 Operating Budget Ordinance be approved. The motion carried unanimously.

IX. Old Business

a. Update on Construction Progress - Mr. Beasley/Ms. Hildebrand

Mr. Beasley wanted to let Board know how great the staff has handled all events, (Ed, Dave, Rob), etc. during construction. He said it has been impressive how they have kept the building running successfully. During the Social Services event, Ed told Mr. Beasley that they used every piece of equipment (AV) owned.

Striping of the gym floor is to be completed in the coming weeks.

The added concrete out front looks great so all looks brand new.

Office renovations are done and look great.

Ms. Hildebrand added that the drive through by Hickory 1 has been so helpful as well. The additional move in access has made our customers happy.

The large screen in the Pre-Function space will be installed the week of September 23rd. Working with Baker AV.

Ms. Hildebrand reported that on July 25th there was a baseball tournament in town; some participants were throwing baseballs on the new outdoor stucco walls by gym. The balls left several dents in the stucco. We will not patch it up as it's a new building so to repair the wall, it will be \$11,000. Ms. Hildebrand is working with Mack McLeod to explore if getting reimbursed from the Tarheel League is possible. It was reported to insurance as well and if the Tarheel League does not honor our request for payment, we will go turn over to Hickory Construction to process the insurance claim.

Roof replacement on the Catawba section is still in the works, exact numbers are pending so we are putting this off for now but at least \$225,000 of the funds moved to Capital Projects is for a roof replacement for the 2005 addition.

X. New Business

a. WPCOG Agreement 2025-2027 - Ms. Hildebrand

Ms. Hildebrand explained that the agreement is for the WPCOG to continue to provide financial services. This process has been beneficial to staff and saved the organization a lot of time and she would like to continue relationship with WPCOG.

Mr. Lail moved, seconded by Mr. Wood, that Agreement (attached) with WPCOG be approved. The motion carried unanimously.

XI. Sales & Marketing Report - Ms. Jones

Working with the Catawba County Education Foundation on a local Pickleball event that would use all 12 courts for a fundraiser tournament in October.

Bidding on NJCAA Division 2 Women's Golf Tournament for May 2025 at Rock Barn. Chair Eckard got involved in talking with Rock Barn. This tournament will bring in 90 athletes, plus families and coaches.

Already hosting three consecutive years of NCJAA Division 2 and 3 basketball tournaments.

Planning a Fall Fam Tour in October to show 5-7 meeting planners around the convention center, hotels, & Downtown Hickory.

Department of Social Services event pick up was 556+ room nights so far. Ms. Keever added that a lady called her b/c she waited too late to make reservations and ended up at the Crowne. By the time they finished the conversation, she said that this was the best meeting they have ever had in Hickory.

Adult Flag Football Group coming August 23-24 to Henry Fork. Over 81 teams will be competing.

Tarheel Baseball pick up is 382 room nights.

Got pick up from the Dixie State Softball Tournament in Lincoln County due to the fact that Lincoln County doesn't have a ton of hotel rooms. So far, we have 172 trackable room nights.

Cycle NC M2C Ride will be stopping in Lenoir in October - they are staying mostly in Lenoir but we are getting some of the overflow room nights from the event.

Queen City Bass Fishing in October is a smaller event but will still bring in outside visitors to Lake Hickory.

Visit NC Site Visit on August 28th; will discuss potential locations for the opening night reception.

Mr. Seaman assisted in applying for a grant that would offset expenses for the pickleball nets and equipment for other sports.

Hosting King Kat Fishing Tournament again this year in October.

Fishers of Men - NC Championship will be September 23-28.

Destination Guide work with Accent Creative is going well. We are migrating to every ear publication rather than every other year. The first issue will be out January 2025.

Branding project is moving forward smoothly. At the next meeting we will review potential fonts, colors, and more and hope to have examples at next month's board meeting.

Website refresh will begin after branding project is complete so that everything is cohesive; will work with Simpleview on this process.

Hickory was mentioned in the July issue of Our State Magazine.

WBTV ran a story in July on parks in the Hickory area.

Featured in Business NC.

In June 2024, hosted Adventures Abound; a social media influencer who shared several posts and wrote a blog on "27 Things to Do in And Around Hickory".

Umi Restaurant was listed as a Top 100 Sushi location in the nation. Only three locations in North Carolina were mentioned.

XII. CEO Report - Ms. Hildebrand

A copy of the master events calendar is in the Board notebooks that shows events scheduled between now and December 2024.

Audit for Fiscal Year 2023-2024 is underway.

Will get information to the HCTDA Board by the end of August in preparation for evaluation.

Working on an organizational chart update. All job descriptions, including the CEO will be

updated and this is to help us prepare for the organization's growth.

Social services event was a success and the Hickory Daily Record wanted to do a story about the expansion, so they came out during the event and spoke with Executive Director, Sharnese Ransome.

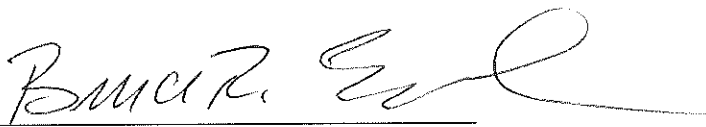
Chair Eckard added that he learned from Hildebrand that former President Trump wanted to come here this week, but we did not have the space; so he will be going to Asheville instead.

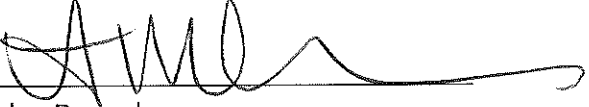
XIII. Adjournment

The next HCTDA Board Meeting will be held on September 9, 2024, at 8:30 a.m. at the Hickory Metro Convention Center.

There being no further business, Chair Eckard adjourned the meeting.

Hickory-Conover Tourism Development Authority

By: 
Chairman Bruce Eckard

Attest: 
Clerk to the Board

**Hickory-Conover Tourism Development Authority
Ordinance #1 Amending the 2024-2025 Capital Projects Budget Ordinance**

The Governing Board of the Hickory-Conover Tourism Development Authority, North Carolina does ordain and enact as follows:

That the 2024-2025 Budget Ordinance of the Hickory-Conover Tourism Development Authority, adopted pursuant to the provisions of Chapter 159 of the General Statutes of North Carolina, the Local Government Budget and Fiscal Control Act, be amended as follows:

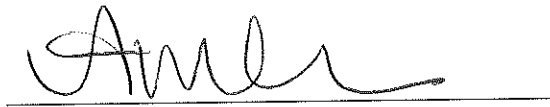
	<u>Adopted Budget to Date</u>	<u>Amendment</u>	<u>Amended Budget</u>
Design Services and Professional Team and Overseeing Construction-Renovation Design 5/10/21 and Additional Capital Needs for Project	\$ 3,300,000	\$ 1,191,000	\$ 4,491,000
	<u>\$ 3,300,000</u>	<u>\$ 1,191,000</u>	<u>\$ 4,491,000</u>

\$625,000 Transfer from General Fund
\$566,000 Transfer from Capital Reserve Fund

Adopted this 12th day of August, 2024



Chairman



Clerk

**Hickory-Conover Tourism Development Authority
Ordinance #1 Amending the 2024-2025 Capital Reserve Fund Ordinance**

The Governing Board of the Hickory-Conover Tourism Development Authority, North Carolina does ordain and enact as follows:

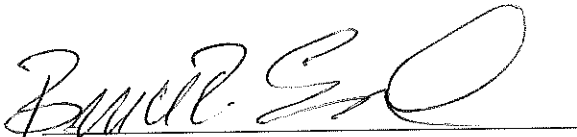
That the 2024-2025 Budget Ordinance of the Hickory-Conover Tourism Development Authority, adopted pursuant to the provisions of Chapter 159 of the General Statutes of North Carolina, the Local Government Budget and Fiscal Control Act, be amended as follows:

	<u>Adopted Budget to Date</u>	<u>Amendment</u>	<u>Amended Budget</u>
Transfer to Capital Projects	\$ 860,773	\$ (294,773)	\$ 566,000
	<u>\$ 860,773</u>	<u>\$ (294,773)</u>	<u>\$ 566,000</u>

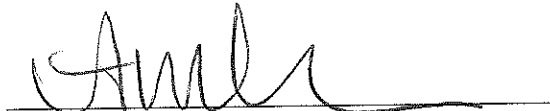
(\$294,773) General Fund Reverted to GF Fund Balance at 06/30/2023**

**Amendment was approved 06/12/2023 for Capital Reserve Fund but not Capital Project Fund
\$566,000 Capital Reserve Fund Balance Appropriated

Adopted this 12th day of August, 2024.



Chairman



Clerk

**Hickory-Conover Tourism Development Authority
Ordinance #1 Amending the 2024-2025 Operating Budget Ordinance**

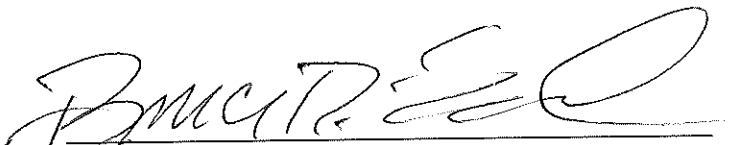
The Governing Board of the Hickory-Conover Tourism Development Authority, North Carolina does ordain and enact as follows:

That the 2024-2025 Budget Ordinance of the Hickory-Conover Tourism Development Authority, adopted pursuant to the provisions of Chapter 159 of the General Statutes of North Carolina, the Local Government Budget and Fiscal Control Act, be amended as follows:

	<u>Adopted Budget to Date</u>	<u>Amendment</u>	<u>Amended Budget</u>
Personnel	\$ 1,166,575		\$ 1,166,575
Operating	\$ 1,119,600		\$ 1,119,600
Debt	\$ 1,160,678		\$ 1,160,678
Capital	\$ 121,147		\$ 121,147
Transfer to Capital Project	\$ -	\$ 625,000	\$ 625,000
Transfer to Capital Reserve	\$ 12,000		\$ 12,000
	<u>\$ 3,580,000</u>	<u>\$ 625,000</u>	<u>\$ 4,205,000</u>

\$625,000 Fund Balance Appropriated

Adopted this 12th day of August, 2024.


Chairman


Clerk



Western Piedmont Council of Governments

Creative Regional Solutions Since 1968

A PROPOSAL FOR:

FINANCIAL ADMINISTRATION FOR THE HICKORY-CONOVER TOURISM
DEVELOPMENT AUTHORITY

PREPARED FOR:

EXECUTIVE/OFFICERS, GOVERNING BOARD
HICKORY-CONOVER TOURISM DEVELOPMENT AUTHORITY
HICKORY, NORTH CAROLINA

PREPARED BY:

THE WESTERN PIEDMONT COUNCIL OF GOVERNMENTS
PO BOX 9026
HICKORY, NC 28603

June 15, 2024

WPCOG AGREEMENT NO. _____
HCTDA AGREEMENT NO. _____

**AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
HICKORY-CONOVER TOURISM DEVELOPMENT AUTHORITY FOR FINANCIAL
ADMINISTRATION
JANUARY 1, 2025 TO DECEMBER 31, 2027**

This **AGREEMENT**, entered into on the 12th day of August, 2024, by and between the Western Piedmont Council of Governments (hereinafter referred to as the "WPCOG") and the Hickory-Conover Tourism Development Authority (hereinafter referred to as the "HCTDA");
WITNESSETH THAT:

WHEREAS, the WPCOG is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the WPCOG on April 17, 1972. Technical assistance shall consist of the provision of services as described in **EXHIBIT A**, which is herein made part of this Agreement;

WHEREAS, the HCTDA has requested the WPCOG to provide such technical assistance to the Client; and

WHEREAS, the WPCOG desires to cooperate with the HCTDA in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Agreement, the WPCOG will furnish the necessary trained personnel to the HCTDA to perform work as shown in **EXHIBIT A**, page 4, of this agreement. The Project Manager will be Finance Director Andrea B. Roper.
2. **Travel/Printing.** Normal travel and training for WPCOG staff is included in this Proposal and no additional travel is expected unless requested by the HCTDA.

The HCTDA will also pay for expenses related to printing of report(s), mailing and postage costs (only for unusual and special circumstances beyond normal billing/finance), check purchases, and other costs not related to normal travel and staffing costs associated with personnel furnished by the WPCOG.

3. **Compensation.** That for the purpose of providing the funds for carrying out this Agreement, the HCTDA will pay the WPCOG a total fee of \$57,123 (fifty-seven thousand, one hundred and twenty-three dollars). This fee will be invoiced monthly in twelve equal payments of \$1,510 (one thousand, five hundred and ten dollars) for the period of January 1, 2025 and ending December 31, 2025.

For the period of January 1, 2026 and ending December 31, 2026, this fee will be invoiced monthly in twelve equal payments of \$1,585.50 (one thousand, five hundred and eighty five dollars and fifty cents). For the period of January 1, 2027 and ending December 31, 2027, this fee will be invoiced in twelve equal payments of \$1,664.75 (one thousand, six hundred and sixty-four dollars and seventy-five cents).

4. **Termination/Modifications.** The HCTDA may terminate the Agreement by giving the WPCOG a ninety (90) day written notice. Furthermore, if there is a need to amend the proposal outlined in **EXHIBIT A**, either party may do so with the written consent of the other.
5. **Time of Performance.** The WPCOG shall ensure that all services required herein shall be provided during the period beginning January 1, 2025 and ending December 31, 2027.
6. **Interest of Members, Officers, or employees of the WPCOG, Members of the HCTDA, or Other Public Officials.** No member, officer, or employee of the WPCOG or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercises any functions or responsibilities with the respect to the program during his/her tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this AGREEMENT. Immediate family members of the said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The WPCOG shall incorporate, or cause to incorporate, in such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
7. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, section 109.
8. **Age Discrimination Act of 1975, as amended.** No qualified person shall, on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to the discrimination under any program or activity which receives or benefits from federal financial assistance.
9. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified handicapped person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to the discrimination under any program or activity which receives or benefits from federal financial assistance.

IN WITNESS WHEREOF, the WPCOG and the HCTDA have executed this AGREEMENT as of the date first above written.

**HCTDA:
HICKORY-CONOVER TOURISM
DEVELOPMENT AUTHORITY**

**WPCOG:
WESTERN PIEDMONT COUNCIL
OF GOVERNMENTS**

By: Mandy P. Hildebrand
Chief Executive Officer

By: Anthony D. Shaw
Executive Director

By: Bruce R. Gault
Board Chair

By: Joseph M. Gibbons (Aug 13, 2024 15:12 EDT)
Board Chair

Pre-audit Statement:

This instrument has been pre-audited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By: _____
Local Government Finance Officer

EXHIBIT A
HICKORY-CONOVER TOURISM DEVELOPMENT AUTHORITY
TECHNICAL ASSISTANCE:
FINANCIAL ADMINISTRATION
JANUARY 1, 2025 - DECEMBER 31, 2027
WORK PROGRAM/BUDGET

I. WORK PROGRAM/BUDGET

This is an Exhibit attached to and made a part of the August 12, 2024 AGREEMENT between the Western Piedmont Council of Governments (WPCOG) hereinafter referred to as the "WPCOG") and the Hickory-Conover Tourism Development Authority (hereinafter referred to as "HCTDA") providing for technical assistance related to finance administration. The basic services of the WPCOG are stipulated as indicated below.

II. WORK PROGRAM/SCOPE OF SERVICES

The intent of this Agreement is for the WPCOG to deliver Technical Assistance in financial administration, consistent with applicable federal, state laws and accounting practices for the time period beginning January 1, 2025 through December 31, 2027. Leveraging experience and resources possessed by WPCOG staff, the WPCOG will administer the HCTDA's finances consistent with applicable accounting practices, state laws and regulations, and federal laws and regulations.

III. DESCRIPTION OF SERVICES PROVIDED

The following activities are illustrative of the services to be provided by the WPCOG to the HCTDA:

- A. Accounts Payable (bills to be paid)
- B. Accounts Receivable (revenues received by HCTDA)
- C. Payroll Administration.
- D. Purchase order processing
- E. Cash Management
- F. General Ledger Accounting
- G. Monthly account reconciliations
- H. Monthly Financial Reports to the Manager & Governing Board
- I. Required Financial Reports and Certifications to the State and IRS
- J. Assistance in budget development and amendments
- K. Coordination with the HCTDA's independent auditor
- L. Review and preparation of audit related records and material
- M. Serve as the Point of Contact for Financial Matters
- N. Other financial duties as needed

IV. FEES

The WPCOG proposes to provide the services described in Section III for a fee of \$57,123 (fifty-seven thousand, one hundred and twenty-three dollars). This fee will be invoiced monthly in twelve equal

payments of \$1,510 (one thousand, five hundred and ten dollars) for the period of January 1, 2025 and ending December 31, 2025. For the period of January 1, 2026 and ending December 31, 2026, this fee will be invoiced monthly in twelve equal payments of \$1,585.50 (one thousand, five hundred and eighty-five dollars and fifty cents). For the period of January 1, 2027 and ending December 31, 2027, this fee will be invoiced in twelve equal payments of \$1,664.75 (one thousand, six hundred and sixty-four dollars and seventy-five cents).