

Hickory-Conover Tourism Development Authority
Regular Meeting Minutes
May 13, 2024, 8:30 a.m.

A Regular Meeting of the Hickory-Conover Tourism Development Authority Board of Directors was held in the Catawba River Boardroom meeting room of the Hickory Metro Convention Center on Monday, May 13, 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 8:35 a.m. All Board Members were present.
- II. Persons Wishing to Be Heard (None Appearing)
- III. Swearing in of Brad Lail, which occurred later in the meeting.
- IV. Approval of Minutes
 - A. Regular Meeting of April 8, 2024 - Chair Eckard

Chair Eckard moved, seconded by Mr. Wood, that the Minutes of April 8, 2024, be approved. The motion carried unanimously.
- V. Approval of Financial Report
 - A. Event Revenue - Ms. Howard

Ms. Howard reviewed the April 2024 event revenue numbers. There were 17 events in April, with one of those events being new. Ten months into the Fiscal Year, event

revenue has already exceeded what was originally budgeted at 117%. Estimation to finish Fiscal Year is around \$650,000.

B. Occupancy Tax - Ms. Hildebrand

Occupancy tax July 2023 through March 2024 is a little more than \$1.7 million. Forecasting the last three months of occupancy tax for the Fiscal Year, we will most likely make the budget which is \$2.4 million and/or be close to it.

C. April 2024 Financial Report - Ms. Hildebrand

For the tenth month of the Fiscal Year, income and expense should be at 83%. Overall, income is at 86% of what was budgeted without April Occupancy Tax, and expense is at 66%.

Mr. Seaman moved, seconded by Ms. George, that Financial Report for April 2024 be approved. The motion carried unanimously.

VI. Transfer of Line Items - Ms. Hildebrand

Just as an information item for the Board, moving \$53,000 within the Operations function from Expansion Convenience and \$12,000 from Building & Maintenance to the Capital line item within the Operations function in the budget. The additional \$65,000 will go toward replacing tables, pipe and drape, projectors and screens, and other items under this line item that are routine and need to be replaced or added and the cost is more than \$5,000. \$5,000 is the capital threshold.

VII. Ordinance #4 Amending Fiscal Year 2023-2024 Operating Budget Ordinance

Moving \$500,000 from the General Fund Balance to the Capital Projects Fund. If approved, this transfer brings the General Fund Balance to \$3,770,758.

Ms. George moved, seconded by Mr. Wood, that Operating Budget Ordinance #4 (as attached) amending Fiscal Year 2023-2024 Operating Budget Ordinance be approved. The motion carried unanimously.

VIII. Ordinance #3 Amending Fiscal Year 2023-2024 Capital Projects Budget Ordinance

Adding \$500,000 to the Capital Projects Fund from the General Fund Balance. The additional \$500,000 will cover additional expenses including the video display board, professional services needed with telling the story that the Lail family envisioned for that

space. It also is for unforeseen change orders, with one being that the additional parking along 13th Ave. Drive, SE costs more than projected. This brings the Capital Project Fund to \$3.3 million. Any funds not used in this project will go to the Capital Reserve Fund.

Mr. Seaman moved, seconded by Mr. Wood, that Capital Projects Ordinance #3 (as attached) amending Fiscal Year 2023-2024 Capital Projects Budget be approved. The motion carried unanimously.

IX. Old Business

A. Construction Update - Mr. Beasley & Ms. Hildebrand

Mr. Beasley & Ms. Hildebrand reported the following updates:

- Appalachian State University is in process of building a team to manage the Lail project in the space that Leroy Lail envisioned. Richard Eller is set to create possible themes and scripts for the video, which will not only be about furniture, but the entire history of the region. Ms. George asked if use of video wall would be restricted to outside events? Mr. Beasley commented that any group renting the space could use the video wall. The video wall size is 32'x9'.
- Chair Eckard asked why the entire existing roof is not being replaced. Mr. Beasley said that the need to replace the roof in Catawba is something new that has popped up and staff is looking into replacing that roof as well and it can be paid for through the Capital Project Fund.
- Additional parking spaces along 13th Ave. Dr. SE should be complete soon.
- Sign is being added at Convention Center entrance that will say "Lynn & Leroy Lane". As soon as it is approved, and a projected date for it to be complete, Ms. Hildebrand will coordinate with the Lail family on a date to unveil it.
- Renovation and addition project is still on track to be complete by summer.
- Chair Eckard asked about the marquee out front. Ms. Hildebrand said cost to replace the video screen is about \$125,000. This is a project on the radar for a future capital expense.
- Mr. Wood asked about ribbon cutting for new space. Ms. Hildebrand said there is an idea floating around for the first event in the updated Catawba space to be the EDC Annual Meeting and after that meeting, there would be a ribbon cutting. There is a possibility of many ribbon cuttings in the future with one being the space with the video wall that Leroy Lail envisioned. That could be in January and/or early 2025.
- Mr. Wood asked if all final touches and finishings going into the updated Catawba space were originally budgeted. Ms. Hildebrand confirmed they were.
- Chair Eckard asked if the funds for the EDC and new offices are in budget? Mr. Beasley confirmed that those monies are included.

- Between May 17-29, work will be done in the original side of the building, including bathroom tile work, door replacement, etc.

X. New Business - Ms. Hildebrand

A. Discretionary Bonus

Ms. Hildebrand would like to do a Discretionary Bonus, which would be given as a one-time payment, suggestion is \$2,500 for full-time staff. Would like to do this in June.

Ms. George recommended it be clarified that this is a Discretionary Bonus in a lump sum and not a Cost-of-Living Adjustment. Ms. Hildebrand said she would change that terminology.

Next month will be the official public hearing for budget and Ms. Hildebrand has in the draft budget an across the board 5% increase of salary for existing full-time staff and that would go into effect in September for the Board to consider at its next meeting.

Ms. Keisler moved, seconded by Mr. Hart, that a one-time Discretionary Bonus of \$2,500 per full time staff member be approved. The motion carried unanimously.

Ms. Keisler recommended the Board may want to consider in the future a bonus structure with parameters that could be setup and criteria be approved so Ms. Hildebrand does not have to come to Board each time she wanted to give staff a bonus. Ms. Keisler has a simple criterion at Chamber that she is happy to share.

B. Swearing In of Appointee Brad Lail

Ms. Taylor gave the Oath of Office to Mr. Lail who was appointed by the Hickory City Council to fill the unexpired term of Patricia Hatch.

XI. Sales and Marketing Report - Ms. Jones

Ms. Jones gave the following marketing updates:

- Branding Project is underway with Destination by Design. If the process stays on track it could be complete by August 2024.
- Destination Guide kick off call will be on May 28 with Accent Creative. Instead of doing the guide in-house, due to the time and process, Accent Creative, who staff works with on a regular basis, will create the publication. Staff chooses the direction to go in and edits all work. The goal is to have the new issue ready for distribution by January 2025.

- In April, it was reported that Hickory was nominated as a top main street in the US by USA Today. It is exciting that Hickory finished at #9 on the top 10 list. This was made possible because our organization hosted an influencer/travel writer in November 2022. This is further proof that hosting influencers goes a long way for our marketing efforts. This writer has written many other stories about our area as well.
- Working on a Partner Buy-In Program to offset our marketing spending and make dollars go further towards marketing efforts.
- Working on Visit NC and Our State agreements for 2024-2025.
- May 19-25 is National Travel & Tourism Week. Tourism Partners meeting will be at the Hickory Dive Bar on May 21 between 3 - 5 p.m. and all board members are invited.
- Marketing funds requested for City of Hickory, City of Conover, and Catawba County and will know in the next week if the requests were approved by the Councils and Commissioners. Ms. Hildebrand and Ms. Jones will give a presentation to Catawba County Commissioners on May 22.

Ms. Jones gave the following sales updates:

- Hosted site visit with Visit NC planning committee. Dates for conference are April 5-8, 2025.
- Hosted impromptu site visit with NC Parks & Rec Association. Looking at a December 2025 or 2026 event.
- Possibility to Host the NJCAA Division 2 Women's Basketball Tournament in March 2026 and 2028. This is a joint bid with CVCC, HMCVB, & HMSC. Also have opportunities to bid on NJCAA Division 3 Women's Basketball Tournament in March 2026-2028 as well as an option to have Division 3 Men's Basketball tournament one of those years.
- Pickup requests have been sent for CVYSA soccer tournament, which was held the first weekend in May.
- Great Smokie Shootout basketball tournament will be held Memorial Day weekend, which brings in around 110 teams.

XII. CEO Report - Ms. Hildebrand

Ms. Hildebrand discussed the Fiscal Year 2024-2025 Draft Budget. The official public hearing will be at the June 10, 2024 HCTDA meeting.

She spent time discussing with Ms. Keever, the treasurer and Chair Eckard prior to sharing with the full board. The budget is increased by more than \$500,000 over last year. Overall, an 18% increase.

EDC will repay cost associated with their office renovation as a monthly rental fee through a Sub Lease Agreement. Payments will equal out to about \$1,200 per month. This will be a new line item on the 24-25 budget.

Mr. Lail asked if there is always a transfer from Fund Balance to balance budget? Ms. Hildebrand said no, it's just a place holder to balance the budget and hope that it will not have to be used. If you look at capital line item (6500), it's at \$113,000, so if we must borrow money from fund balance it's all from capital. Mr. Hart said it's a little more normal in government because we tend to be so conservative with budgeted revenues.

As for staffing, due to construction, and offices under renovation and the new visitors area not complete, Ms. Hildebrand put a pause on hiring a Visitor Services and Receptionist employee this Fiscal Year. The goal is to find the right person for that position in the beginning of the Fiscal Year. In addition, add a Sales Assistant and another Operations/Event employee hopefully by the fall, which would bring staffing to 13 full-time employees. There is room to add additional part-time employees as soon as the right employees are found in the new year too. Currently there are five part-time staff positions, with two being CVCC students not in the area this summer.

Mr. Lail asked why the repairs/maintenance line item was given less next Fiscal Year even though there will be a larger building? Ms. Hildebrand explained that this is because the building is new and because we have a plan in place to do repairs/maintenance on a schedule. In addition, not all funds have been used in that line item this Fiscal Year.

Mr. Beasley asked about parking deck payoff? Ms. Hildebrand said it's 2029.

XIII. Adjournment

The next HCTDA Board Meeting will be held on June 10, 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 #3 Amending the 2023-2024 Capital Projects Budget Ordinance**

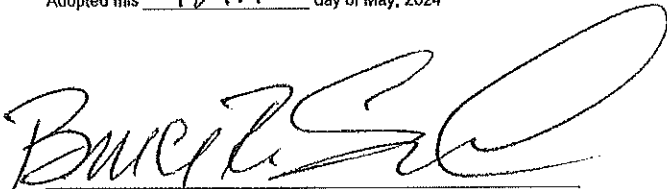
The Governing Board of the Hickory-Conover Tourism Development Authority, North Carolina does ordain and enact as follows:

That the 2023-2024 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:

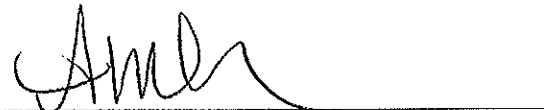
	<u>Adopted Budget to Date</u>	<u>Amendment</u>	<u>Amended Budget</u>
Design Services and Professional Team and Overseeing Construction- Renovation Design 5/10/21 and Additional Capital Needs for Project	\$ 2,800,000	\$ 500,000	\$ 3,300,000
	<u>\$ 2,800,000</u>	<u>\$ 500,000</u>	<u>\$ 3,300,000</u>

\$500,000 Transfer from General Fund

Adopted this 13th day of May, 2024



Chairman



Clerk

**Hickory-Conover Tourism Development Authority
Ordinance #4 Amending the 2023-2024 Operating Budget Ordinance**

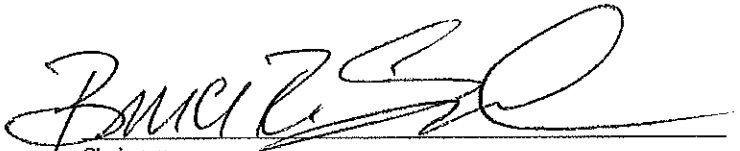
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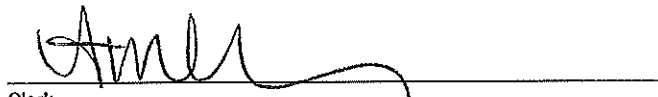
That the 2023-2024 Budget Ordinance of the Hickory-Conover Tourism Development Authority, adopted pursuant to the provisions of Chapter 159 of the General Statutes of North Carolina, the Local Government Budget and Fiscal Control Act, be amended as follows:

	<u>Adopted Budget to Date</u>	<u>Amendment</u>	<u>Amended Budget</u>
Personnel	\$ 1,009,000		\$ 1,009,000
Operating	\$ 1,246,301		\$ 1,246,301
Debt	\$ 788,699		\$ 788,699
Capital			
Transfer to Capital Project	\$ 1,770,750	\$ 500,000	\$ 2,270,750
Transfer to Capital Reserve	<u>\$ 262,000</u>		<u>\$ 262,000</u>
	<u>\$ 5,076,750</u>	<u>\$ 500,000</u>	<u>\$ 5,576,750</u>

\$500,000 Fund Balance Appropriated

Adopted this 13th day of May, 2024.


Chairman


Clerk