



Board Meeting Minutes from July 27, 2023

Sussex County West Administrative Complex

In attendance: Anne Angel, Scott Anthony (Board Co-Chairperson), Terry Carson, Mike Dunmyer, Carol Everhart, Ben Gray, Chip Guy, Bonnie Hall (Past Chair), Kristin Miller, Matt Parker (Board Chairperson), Linda Price, Jo Schmeiser, Scott Thomas, Kevin Thompson, Lauren Weaver, Jessica Welch

Absent: Drew DiFonzo, Morgan Edgar (Jo S. – Proxy), Kevin Evans, Karen Falk, Jamie Hayman (Lauren W – Proxy), Maggie Lingo (Carol E. – Proxy), Fred Mast, Bill Pfaff (Chip Guy – Proxy), Nancy Pinera, Betsy Reamer, Patrick Ruhl (Jo S. – Proxy)

- 1. Call to Order time:** 9:32am by Bonnie H.
- 2. Welcome and Introductions:** Bonnie H. welcomed everyone and those in attendance introduced themselves through alphabetical roll call. In addition, Scott introduced SDT Marketing Specialist, Chris Cazares and he expanded on his background. Quorum confirmed by Scott T.
- 3. Guest Presentation:** George Beckerman updated the Board on SEDAC's recent initiative of commissioning a feasibility study for a medical school in Sussex County. He indicated that he would be reaching out to various board members for further support and comments on the potential tourism and community benefits of having a medical school located in the county.
- 4. Approval of the April 2023 Meeting Minutes**
Motion by: Lauren W., **Seconded by:** Mike D., **Passed by** the Board.

5. Committee Reports

- **Finance** – Presented by Matt P. substituting for Jamie H.
 1. The PAT Revenue ended the year \$33,512 higher than it was last year, which is an increase of 2.10%.
 2. The PAT revenue did finish the year \$21,016 below the budgeted amount for the year (1.27%). This is the result of May's PAT deposit being down just over \$30,000 from the prior year.
 3. The bottom-line Excess Revenue over Expenses, is \$211,969 lower than it was last year. This is primarily the result of an additional \$290,435 being spent on marketing this year in comparison to the prior year. The additional marketing expenses were a result of an increase in the marketing budget, and marketing expenses actually finished the year under the budgeted amount.
 4. Included in the Grant Income account (the only revenue in that account currently) is \$121,981.21 that has been received from the EDA Grant. Because this is a reimbursement type grant, this is reimbursing eligible grant expenses that have already been spent - SDT isn't holding these funds for later use.
 5. The marketing-administrative expense ratio was approximately 90%:10% surpassing the committee's goal of 80%:20%
 6. At 6/30/23, there was \$595,100 in the checking account. \$17,191 of this is reserved for the Culinary Coast campaign. There also is \$131,625 in SDT's reserve account.

Motion to approve the 4th Quarter Financial Statements by Mike D.
Seconded by Ben G., **Passed** by the Board.

Investment – Presented by Matt P.

Matt referenced SDT's RFP for a financial planner was distributed and the committee recommends that the board accept the proposal from Lance Rogers with Edward Jones. His proposal was shared prior to the meeting and posted on the SDT Boardroom. Matt indicated that his annual fee would be 1.35% of the SDT Investment fund and deducted on a monthly basis.

Motion to hire Lance Rogers with Edward Jones as SDT's Financial Planner by Mike D. **Seconded by** Linda P. **Passed** by the Board.

- **Policies & Procedures** – Presented by Ben G.

Ben reminded the Board that an email vote occurred in favor of the following Bylaws addition to Article III / Section 2 / Part C/ Number 2: “In the event that a chamber's PAT distribution percentage exceeds the minimum allocation amount for a given fiscal year, that chamber would be entitled to receive the sum of their owed PAT distribution minus the minimum allocation amount.”

He went on to confirm that the Milton Chamber of Commerce received its portion of their PAT allocation in excess of the \$5,000 minimum allocation before the end of FY 23. Regarding the vote to raise the minimum allocation amount that was tabled at the April Board Meeting, Ben indicated that the committee recommends further tabling the vote until the next legislative session when the STR legislation is expected to be voted on in the state legislature.

The committee will meet on August 9th to confirm its goals for FY 24.

- **Marketing** – Presented by Bonnie H.

Bonnie outlined and called out highlights of SDT’s Fourth Quarter Marketing Report that was shared and posted in the Boardroom. Bonnie referenced the SDT Media Coverage Report, powered by SDT’s subscription to Muck Rack. SDT’s advertising value equivalency (AVE) this quarter was \$2,026,744. Four more hotels took part in the On-Stay component of SDT’s app, SouthDel Sidekick.

The committee will meet next on August 4th to confirm its goals for FY 24 and review planning for fall of 2023.

- **Advocacy** – Presented by Ben G. (Substituting for Drew D.)

The Short-Term Rental (STR) Equalization Bill (House Bill 168), sponsored by House Representative Kim Williams and Senator Spiros Mantzavinos passed the House Revenue Committee unanimously but did not make it to the House Floor for vote during the 2023 Legislative Session. Ben indicated that more legal language has been deemed

necessary regarding landlord privacy and this legislation continues to gain support as the realtors are still opposed. The committee will work on tools to outreach and gain further community support this fall in preparation for the next state legislative session starting in January 2024.

6. Preliminary Strategic Plan Outcomes

Bonnie commented on much progress being made in FY 23 with respect to fulfilling SDT's five-year strategic plan created in 2022. She provided an update of accomplishments by committee that was shared prior to the meeting on the boardroom.

7. Changing of the Chair

Scott T. presented outgoing chairperson Bonnie H. with a State of Delaware Governor's Tribute and thanked her for her exemplary leadership and support. Both Ben G. and Matt P. made further comments praising Bonnie and her contributions to the organization. Matt P. assumed the role as Board Chairperson and shared his excitement with the Board. Scott A. now serves as Board Co-Chairperson

8. FY 2024 Committee Goals

Matt P. requested that all committee chairs confirm and send him their respective committee **FY 24 goals by August 25th**.

9. DTO Update – Presented by Jessica W.

- \$12 million for a sports project in each county has been appropriated by the state and the DTO is tasked with administering the grants/process starting in December 2023. Jessica will send the link to this information to the Board when it is ready.

10. FY 2023 Annual Report

Scott T. posted a working draft of the SDT 2023 Annual Report on the boardroom and asked the Board to review and offer any comments/suggestions over the next month. He is working to update

his letter and SDT Visitor Survey stats in time to publish by November 2023.

11. SDT 2023 Awards Luncheon

This year's awards luncheon will take place on Wednesday December 13th at the Lighthouse Cove Event Center / Hyatt Place Dewey. Matt P. confirmed that he has secured Chef Dru Tevis of SoDEL Concepts to serve as this year's featured speaker.

12. SDT Funding Application & Review Meetings

Scott T. indicated that all SDT Funding Applications have been sent to each applicant chamber and the submission deadline is **Friday August 4th**. The follow-up chamber application review meetings are scheduled for Monday August 28th and Tuesday August 29th. Scott T. will confirm the meeting schedule and share it with each chamber.

13. Other Business / Announcements

- Lauren W. shared the BFACC's recent concerns regarding the timing of beach replenishment and its negative impact on room rates in Bethany Beach as well as concerns with The Town of Fenwick Island's Comprehensive Plan and its anti-business / tourism sentiment. She requested that the Advocacy Committee meet soon to discuss these matters and determine action items for SDT. Ben G. will work with Drew D. to set up a meeting.

- 14. Next Board Meeting is on October 19, 2023,** from 9:30am - 11:30am at the Sussex County West Administrative Complex / Main Conference Room. Scott T. will send calendar invitations to the Board for Board Meetings scheduled through July 2024.

The meeting was adjourned at 11:15 am. Motion by Matt P., Seconded by Linda P., Passed by the Board