



Board Meeting Minutes from October 19, 2023

Sussex County West Administrative Complex

In attendance: Anne Angel, Scott Anthony (Board Co-Chairperson), Drew DiFonzo, Mike Dunmyer, Carol Everhart, Karen Falk, Ben Gray, Bonnie Hall (Past Chair), Jamie Hayman, Fred Mast, Kristin Miller, Matt Parker (Board Chairperson), Bill Pfaff, Betsy Reamer, Patrick Ruhl, Jo Schmeiser, Scott Thomas, Lauren Weaver, Jessica Welch

Absent: Terry Carson, Morgan Edgar (Jo S. – Proxy), Kevin Evans, Maggie Lingo, Nancy Pinera, Linda Price, Kevin Thompson (Karen F. – Proxy)

1. **Call to Order time:** 9:30am by Matt P.
2. **Welcome and Introductions:** Matt P. welcomed everyone and those in attendance introduced themselves through alphabetical roll call. In addition, Scott introduced new board member, Patrick Ruhl and he expanded on his background. Quorum confirmed by Scott T.

3. Approval of the July 2023 Meeting Minutes

Motion by: Ben G., **Seconded by:** Drew D., **Passed by** the Board.

4. Committee Reports

- **Finance** – Presented by Jamie H.
 1. The PAT Revenue for the 1st quarter is down \$59,599 from this same quarter last year (9% decrease) Most of this decrease was seen in the PAT distribution from the State for June 16th-30th, which was significantly down from last year. Scott was having the State look into the accuracy of this. Typically this quarter accounts for

40% of the annual PAT revenue for the year, so we'll want to keep an eye on this larger than normal decrease. Due to 3 Sussex hotel properties reporting late, approximately \$177,000 that should have been included in the June 16-30 report ended up in the July report.

2. Included in the Grant Income account is \$130,110.53 that has been received from the EDA Grant, less the \$11,563.20 that was for the City of Seaford. 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.

3. At 9/30/23, there was \$664,557 in the checking account. \$4,837.41 of this is reserved for the Culinary Coast campaign. There also is \$131,640 in SDT's reserve account.

Scott T. indicated that he has been in close contact with Warren Wood, Assistant Director of the Delaware Division of Revenue, in comparing notes on potential PAT reporting discrepancies (i.e. a Sussex County hotel reporting through a Kent County LLC). They are sharing hotel inventory lists and making sure that each property matches up in the right county.

Motion to approve the 1st Quarter Financial Statements by Bonnie H.
Seconded by Bill P., **Passed** by the Board.

Investment – Presented by Matt P.

Matt reported that SDT has officially established its investment account administered by Lance Jones from the Edward Jones' Millsboro Office. Now the committee needs to propose a recommended amount from the \$131,640 in SDT's reserve account to invest. Matt will schedule a committee meeting within the next week.

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

Ben framed the background of two recommended bylaw changes for the board to vote on:

1) Develop a Proposal Review Policy

- Committee approved the following policy as a bylaw change to present for

vote at the October board meeting:

- Section 10: POLICY PROPOSAL REVIEW PROCEDURE: Any board member who wishes to submit a policy proposal for consideration by the board must first submit their proposal to the Policies and Procedures (P&P) Committee for review. Once the P&P Committee reviews the proposal, the members of that committee will vote on their support of or objection to the proposal. If supported by a two-third (2/3) P&P majority, the proposal will then be recommended to the board for approval. If P&P does not approve the proposal, then the Committee will present their suggested recommendations for approval to the proposer for resubmission. The proposer may resubmit their proposal at anytime to the P&P Committee for consideration and approval, but the proposal will not be presented to the board unless pre-authorized by P&P Committee to be on the agenda.

Matt P. made a motion for the board to approve this bylaw addition addition by a show of hands as this motion needs a 2/3 majority to pass. Vote was a unanimous yes and passes.

2) Develop Succession Plan for Leadership

- Include Board nomination process

- Committee Approved the following bylaw change (Section 5, highlighted) to present for vote at the October board meeting:

- o Section 5: ANNUAL MEETING

- o The annual meeting of Southern Delaware Tourism shall be held in July of each year. The time and place shall be fixed by the Board of Directors and notification sent to each Member and Advisory Member at least ten (10) days before said meeting.

- o If it is a board leadership election year, then the Chairperson will accept any nominations for vacant leadership positions until 45 days prior to the April board meeting. Board members should present their nominations in advance to the Chairperson, and the Chairperson will present those nominees to the board at least 30 days prior to the April board meeting.

- Additional nominations will be accepted by the board

up to ten days prior to the April board meeting.

o If it is a board leadership election year, then nominees for election will be voted on at the April board meeting for appointment at the July annual meeting.

o At the annual meeting, appointments shall be made for The Chairperson and Co-Chairperson, who will serve two...

Matt P. made a motion for the board to approve this bylaw addition addition by a show of hands as this motion needs a 2/3 majority to pass. Vote was a unanimous yes and passes.

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

Bonnie outlined and called out highlights of SDT's First 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 \$908,000 with nearly 98 million unique visits per month to the publications cited in the report.

Bonnie was excited to share that SDT is getting ready to embark on a County Tourism Ambassador Program, one of the committee's goals as established in the SDT Strategic Plan and budgeted for as a new initiative in the FY 24 Budget. Scott T. provided the board with an update.

- **Advocacy** – Presented by Drew D.

The language in the Short-Term Rental (STR) Bill (House Bill 168), sponsored by House Representative Kim Williams and Senator Spiros Mantzavinos has been amended and both Drew and Ben G. identified certain parts that needed more clarification such as the term "casual renter" being exempted. Ben indicated that this feedback has been sent to the DHLA lobbyist. Most of the amendments made reflect the operational feasibility by the Delaware Division of Revenue in its efforts to assign and collect a straight 8% PAT across the board on STRs as they are defined in the bill.

5. DTO Update – Presented by Jessica W.

- DTO has contracted with Bandwango to enhance the marketing and presentation of its trails throughout the state. The DE on Tap trail and app has just been revamped and a press release went out today.
- A draft of the Sports Tourism Capital Investment Fund regulations has been shared with the board and feedback for the revision is due by October 31.
- DTO's Delaware Tourism Summit is taking place on December 6th at Delaware Tech in Dover. Jessica will send an invitation to the board.

6. SDT 2023 Awards Luncheon Update

This year's awards luncheon will take place on Wednesday December 13th at the Lighthouse Cove Event Center / Hyatt Place Dewey. Scott T. indicated that SDT has generated a lot of publicity for the tourism award nominations that are due on November 3rd. The judging process was discussed and the board agreed to use the same procedure and tools as last year. Jamie H. volunteered to serve as the Awards Committee Chairperson this year.

7. Next Board Meeting is on January 18, 2024 from 9:30am - 11:30am at the Sussex County West Administrative Complex / Main Conference Room.

The meeting was adjourned at 11:00 am. Motion by Matt P., Seconded by Bill P., Passed by the Board