



Board Meeting Minutes from January 19, 2023

Sussex County West Administrative Complex

In attendance: Scott Anthony, Drew DiFonzo, Mike Dunmyer, Morgan Edgar, Carol Everhart, Karen Falk, Ben Gray, Bonnie Hall, Jamie Hayman, Maggie Lingo, Fred Mast, Kristin Miller, Matt Parker, Bill Pfaff, Nancy Pinera, Betsy Reamer, Jo Schmeiser, Scott Thomas, Jessica Welch

1. **Call to Order time:** 9:30am by Bonnie H.

2. **Welcome and Introductions:** Bonnie H. welcomed everyone and those in attendance introduced themselves through alphabetical roll call. New board member Jessica Welch introduced herself and expanded on her background and position at the DTO.

3. Approval of the October 2022 Meeting Minutes

Discussion: Karen F. recommended that her comments regarding the Investment Committee be included. Scott has added those comments: *Karen F. noted that the board needs to be cognizant of the future reserve investments respective to SDT's allocation of the state's PAT reinvestments amounts so that SDT can show it is optimizing its marketing spend.* **Motion by:** Mike D . **Seconded by:** Jamie H. **Passed by** the board.

4. Committee Reports

- **Finance** – Presented by Jamie H.
 - 1) Through the 1st six months of the year, the PAT Revenue is \$55,673 higher than it was last year, an increase of 4.38%

2) Revenue over Expenses is \$144,000 lower than it was last year - due to increased budgeted marketing expenses for the first 6 months of this year.

3) Included in the Grant Income account (the only revenue in that account currently) is \$38,621.31 that has been received from the EDA Grant.

4) The quarterly financial report on page numbers 4-5, are not comparable. This is because the PAT revenue typically received in September of 2021 (which would have been on the 1st quarter of 2021's financial statement), wasn't received until October of 2021. Therefore the prior year's quarterly revenue is artificially overstated on this quarterly report.

5) At 12/31/22, there was \$744,411 in the checking account. \$5,870 of this money is Sussex County Buy Local money, and \$5,191 is reserved for the Culinary Coast campaign. \$37,125 of these funds is earmarked in the budget for reserves, and will be moved to the SDT money market account. This leaves \$696,225 of the funds as being available for SDT's general use.

6) The quarterly marketing : administrative expense ratio was 93%:7% largely due to additional marketing expenditures via the EDA grant.

Karen F. mentioned that sixteen years ago Georgetown, Milford and Milton were all receiving \$2K, then \$5K annually. Georgetown now has hotels warranted to receive a portion of the hotel accommodation tax.. With the abundance of funds increasing, ADR, additional funds are available for marketing initiatives and SDT would like to do future banking investments above and beyond the 20 year money market account. She had suggested the minimum distribution be increased for Milford and Milton since there had not been an increase from \$5K for over 16 years. This will allow the two chambers to create crucial campaigns for tourism to get our communities noticed for tourism, economic growth and investment. Furthermore, Ben mentioned he was not aware of the history of the minimum allocations and found the conversation of increase valid and he would make this a topic for the Policies and Procedures Committee.

Motion to approve the 2nd Quarter Financial Statements by Jamie H.,
Seconded by Matt P. Passed by the board.

Investment – Presented by Matt P.

Matt indicated that an RFP for an investment advisor has been prepared but SDT may want to wait until after the tax season is over to distribute (hard time to secure a reputable advisor). In addition, the market may prove to be less volatile in late spring.

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

1) As part of SDT's Strategic Plan, the P&P has incorporated "developing a succession plan to maintain SDT leadership" into one of its two goals this year. In doing so, the P&P Committee proposes a Bylaws change that will increase the scope of the committee. The following **motion** was sent in the meeting invitation and made by Ben: Adjust the scope of the P&P Committee to include the additional sentence: "This Committee also acts as the oversight committee assigned to leadership replacement and succession." **Seconded by** Mike D. **Passed** by the board. Ben further shared that the committee will start with the Executive Director position and define procedures based on voluntary and involuntary leave/resignation scenarios.

2) The other fiscal P&P goal (as stated in the strategic plan) is to develop an operational communication plan. As part of this plan, the committee has implemented a new way of sharing board documents with board members via a shared drive and housed in an SDT "Boardroom" web portal. Scott T. gave a brief presentation on the web portal that will include the current SDT Board and Committee Directory, Bylaws and an archive of board documents presented by quarter, starting with the current quarter and listing past quarters by fiscal year. After discussion, the board determined that this portal link should be reserved for board members and not posted or linked to SDT's website. [OnSite \(visitsoutherndelaware.com\)](http://OnSite.visitsoutherndelaware.com)

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

Bonnie outlined and called out highlights of SDT's Second Quarter Marketing Report that was distributed to the Board. Bonnie also thanked those who attended SDT's Annual Tourism Awards Luncheon and stated that we had a record turnout of attendees.

Bonnie referenced the SDT Media Coverage Report, powered by SDT's subscription to Muck Rack. SDT's advertising value equivalency (AVE) this quarter was \$17,848.

All articles listed in the report can be clicked on and viewed at <https://bit.ly/FY2023QTR2MediaCoverageReport> and <https://bit.ly/MuckRackGlossary> for a glossary of terms

Inquiries were made on SoDel Concept Pastry Chef Dru Trevis' recent win on the Food Network's Holiday Baking Championship. Scott T. informed the board that Baltz & Co will be adding this achievement to the list of Culinary Coast Chef accolades and that SDT is distributing a press release this month.

The Marketing Committee has created a SDT Marketing Toolkit for its Partners as an online tool to reinforce SDT's brand and access / reference to marketing materials (a marketing goal listed on the strategic plan). Scott presented a demonstration of the password protected portal. It can be accessed at: [OnSite \(visitsoutherndelaware.com\)](https://visitsoutherndelaware.com)

The User Name is "partner" and password is "sdtmktg" SDT will be sending this portal access to its partners this month.

Bonnie reminded the board that SDT will be hosting the following events for the board and partners in the coming weeks:

- 1) Culinary Coast Workshop on 1/30 from 4pm to 6:30pm at the Starboard in Dewey Beach.
- 2) SouthDel Sidekick Mobile App Workshop with D3 on 2/16 from 10am to 11:30am at the Fairfield Inn in Rehoboth Beach.
- 3) Marketing Webinar on 3/14 from 10am to 11am.

- **Advocacy** – Presented by Drew D.

- 1) STR Equalization Bill – Some of the language is being re-worked and Verity Watson (DHLA Lobbyist) will be sharing with us soon so that the bill can be introduced sooner than later this legislative session. House Representative Kim Williams and Senator Spiros Mantzavinos are the sponsors. With all the new legislators in the state assembly, Scott T. stated that this year's National Travel & Tourism Week (first week of

May) will be especially important for us to reinforce the importance of tourism reinvestment.

- 2) Workforce Housing – Sussex County Councilman John Rieley gave a recent presentation at the RBDB Chamber Luncheon. The chamber audience stressed that the J1 and seasonal workforce needs to be integrated into the county's ordinances regarding affordable/workforce housing units and other future solutions. Scott T. referenced an upcoming USDA webinar focused on housing solutions in rural recreation communities where population is rapidly rising. Scott T. is sending the webinar invitation to the board.
- 3) Drew went on to mention that there are two Rehoboth area hotels that have recently seasonalized that would historically be open year-round. With the growing hotel room inventory in the county, SDT will need to focus more and more on meetings/conferences/retreats groups to fill leisure travel gaps. Bonnie invited Drew to the next marketing committee meeting on April 4th. Scott T. will send him the invitation/meeting link.

5. DTO Update – Presented by Jessica W.

- The DTO has been actively exhibiting at the Travel and Adventure consumer travel shows including stops in Chicago, Boston and upcoming in New York City.
- DTO is hiring a Tourism & Community Specialist position.
- DTO is in the process of producing a new scripted ad campaign entitled "Delaware Has That."

6. Other Business / Announcements

- Morgan E. announced that Milford High School will be holding an Advisory Meeting for its Tourism & Hospitality Program on 3/13 from 8:30am to 10:30am. Morgan will send Scott the invitation to share with the board. Anyone interested should attend.
- Jamie H. reminded everyone that the annual Fire & Ice Festival is taking place 1/27-29 throughout the Quiet Resorts.
- Scott A. announced that Georgetown will be having a St. Patrick's Day Block Party on 3/18 from 12pm – 6pm. Love Seed Mama Jump will be performing.

- Jo S. announced that there will be a Latino Business and Community Expo at Cape Henlopen High School on 2/25 from 2pm to 6pm.
7. **Next Board Meeting is on April 20, 2023**, from 9:30am - 11:30am at the Sussex County West Administrative Complex / Main Conference Room.

Meeting adjourned at 11:19 am. Motion by Jo S., Seconded by Betsy R., Passed by the board