



Board Meeting Minutes from April 20, 2023

Sussex County West Administrative Complex

In attendance: Scott Anthony, Drew DiFonzo, Mike Dunmyer, Morgan Edgar, Carol Everhart, Karen Falk, Ben Gray, Bonnie Hall, Fred Mast, Kristin Miller, Matt Parker, Nancy Pinera, Linda Price, Betsy Reamer, Jo Schmeiser, Scott Thomas, Kevin Thompson, Lauren Weaver, Jaclyn Ott, Anne Angel

Absent: Terry Carson, Jamie Hayman (Lauren W – Proxy), Maggie Lingo (Betsy R. – Proxy), Bill Pfaff

1. **Call to Order time:** 9:43am by Bonnie H.
2. **Welcome and Introductions:** Bonnie H. welcomed everyone and those in attendance introduced themselves through alphabetical roll call. New board member Anne Angel introduced herself and expanded on her background. Quorum confirmed by Scott T.
3. **Approval of the January 2023 Meeting Minutes**
Motion by: Betsy R., **Seconded by:** Linda P.. **Passed by** the board.
4. **Committee Reports**
 - **Finance** – Presented by Matt P. substituting for Jamie H.
 - 1) Through the 1st nine months of the year, the PAT Revenue is \$47,150 higher than it was last year, which is an increase of 3.33%
 - 2) The PAT revenue however is about \$15,000 under the budgeted revenue amount for the first 9 months (down 1%). There was \$8,500 less PAT Revenue received in this quarter compared to the same quarter last year.

- 3) The bottom line Excess Revenue over Expenses, is \$166,500 lower than it was last year - but that is primarily because of the increased marketing expenses for the first 9 months of this year.
- 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 Millsboro Chamber of Commerce is receiving their funding again this quarter, and that amount is listed under Member Grants with the rest of the chambers.
- 6) As of 3/31/23, there was \$695,983 in the checking account. \$29,191 of this is reserved for the Culinary Coast campaign. There also is \$94,488 in SDT's reserve account.

Motion to approve the 3rd Quarter Financial Statements by Lauren W.
Seconded by Mike D.. Passed by the board.

Investment – Presented by Matt P.

Matt referenced SDT's RFP for a financial planner that the committee prepared, shared with the board prior to the meeting, and called for a motion for the board to pass.

Motion to approve the RFP for a Financial Planner by Ben G.
Seconded by Lauren W. Passed by the board.

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

Per discussion at the January 2023 Board Meeting, the P&P Committee has focused on examining SDT's minimum allocation amount to applicant chambers of commerce. The minimum allocation is currently set at quarterly installments of \$1,250. P&P has met several times with input from the Milton Chamber and Greater Milford Chamber to determine the best method to adjust the minimum allocation since the amount has not been raised since 2007. After further research and exchanges with the P&P, the Milton Chamber prepared a formal request that was shared with all board members before the meeting. The request culminates with the

following proposed SDT Bylaws change, prepared by the P&P Committee, for board vote:

Chamber Members who have one or less state licensed accommodations located in their jurisdiction shall receive a monthly payment designated by the Board of Directors that equates to 1.5% of the 45% PAT distribution, with the contingency that the final amount does not exceed the amount distributed to the lowest producing chamber for that fiscal year. The Board of Directors shall review this payment amount annually. These funds are to be used for tourism promotion benefitting Sussex County's tourism industry.

Discussion: Based on the timing for the potential PAT distribution influx brought on by the Short-Term Rental legislation poised to be introduced this session and the absence of a county administration vote, **a Motion to table this vote until the July 2023 Board Meeting was made by** Lauren W. and **Seconded by** Scott Anthony. **Passed** by the board.

Karen F. inquired about the Milton Chamber's excess PAT collection above the \$5K minimum allocation for FY 2023 and if they would begin receiving those funds. Ben G. indicated not until a board vote occurs and that he would meet with Karen to further discuss solutions before the end of the fiscal year.

- **FY 2024 SDT Budget** – Matt P. presented the proposed SDT Budget for fiscal year 2024 that was examined by the Finance Committee and shared with the board members prior to the meeting.

Motion to adopt SDT's \$1.865 million FY 24 Budget was made by Kristin M. and **Seconded by** Mike D. **Passed by** the board.

- Scott T. referenced the \$20K budget line item for New Initiatives and introduced the board to an online tourism ambassador program in partnership with the Tourism Academy, giving a brief demo. Being part of SDT's five year strategic plan, starting a county tourism ambassador program could qualify as a new initiative starting in FY 24. The board liked the idea and requested to see an annualized plan for this, including goals and key performance indicators (before embarking on the project).

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

Bonnie outlined and called out highlights of SDT's Third Quarter Marketing Report that was distributed to the Board. SDT hosted a Culinary Coast partners workshop, app workshop and marketing webinar this past quarter. A five year plan for the Culinary Coast initiative has been drafted and being reviewed by the CC advisory committee.

Bonnie referenced the SDT Media Coverage Report, powered by SDT's subscription to Muck Rack. SDT's advertising value equivalency (AVE) this quarter was \$39,000. At its 4/4 meeting, the marketing committee reviewed the draft of SDT's FY 24 Marketing Plan that was shared with the board prior to the meeting. **A Motion to adopt SDT's fiscal year 2024 Marketing Plan was made** by Matt P. and **Seconded by** Drew D. **Passed by** the board.

- **Advocacy** – Presented by Drew D.

STR Equalization Bill sponsored by House Representative Kim Williams and Senator Spiros Mantzavinos. Based on input from the Delaware Division of Revenue, the language in the bill has been adjusted so that a straight 8% state accommodations tax will apply to short-term rentals regardless of what the existing STR tax is at a county or municipal level. The bill is expected to be introduced in the coming weeks before June.

5. DTO Update – Presented by Jacyln O. (Substituting for Jessica W.)

- Delaware Tourism Save the Date for December 6th Tourism Summit in Dover will go out next week to the industry
- National Travel and Tourism Week is May 7th - 13th DTO is hosting a food truck lunch for legislators in Dover on May 10th.
- DTO is partnering with UD for the 302 Tour to showcase the state to athletes, coaches and their families on why they should spend time exploring all Delaware has to offer
- DTO has two new staff members
- DTO is moving there three trails to Bandwango and are in the process of announcing that to their partners

- DTO is working with 1440 Film Co. to update our spring marketing assets so we can promote the spring season in 2024

6. FY 2024 Board Nominations

Scott Anthony was nominated to serve as SDT Co-Chairperson. **A motion to accept this nomination was made** by Matt P. and **Seconded by** Linda P. **Passed by** the board.

Josh Grapski and Patti Grimes were nominated to serve as SDT Advisory Board Members. **A motion to accept these nominations was made** by Linda P.. and **Seconded by** Kristin M.. **Passed by** the board.

7. Other Business / Announcements

- Karen F. – Announced that the Milton Chamber's Restaurant Week is taking place the week of May 7th – May 13th and will help promote SDT's Culinary Coast brand.

8. **Next Board Meeting is on July 20, 2023**, from 9:30am - 11:30am at the Sussex County West Administrative Complex / Main Conference Room. *This meeting was later pushed to July 27, 2023.*

Meeting adjourned at 11:46 am. Motion by Matt P., Seconded by Linda P, Passed by the board