

**MINUTES OF THE MEETING OF THE
SANFORD TOURISM DEVELOPMENT AUTHORITY
SPECIAL CALLED MEETING – JUNE 13, 2019
SANFORD, NORTH CAROLINA**

Members of the Sanford Tourism Development Authority (“TDA”) met on Thursday, June 13, 2019, at 9:00am in the West End Conference Room at the Sanford Municipal Center, located at 225 E. Weatherspoon Street, Sanford, North Carolina.

Present:

Kevin Brown, Chair

Tim Emmert

David Foster

Janet Harrington

PJ Patel

Sam Gaskins, Council Member

Hal Hegwer, City Manager

Beth Kelly, Financial Services Director, via phone conference

Kelli Laudate, DSI Promotions Coordinator

Absent:

Emalee McCracken

Jeff Towson

Sam Trivedi

Chairman, Kevin Brown called the meeting to order at 9:38am.

PUBLIC COMMENT

No citizen signed up to speak.

APPROVAL OF AGENDA

David Foster made the motion to approve the agenda for June 13, 2019. Seconded by Tim Emmert, the motion carried unanimously.

SPECIAL CALLED MEETING AGENDA

Discussion Regarding Next Year’s Budget (Exhibit A, B, C, D)

Mr. Brown and Ms. Kelly explained that our line items do not need to be ironed out in this meeting. We are here to discuss the \$230,000 that will be appropriated for the operation of the Tourism Development Authority and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020 and ways in which the TDA wishes to divide the expenses for the year. Mr. Brown began to break down expenses for the year that we did not have last year. Items such as legal expenses, audit expenses, an Executive Director hire, but we do not know

the financial figures at this time for these items. For example, the Executive Director salary could be \$50,000. Mr. Patel and Mr. Emmert had concerns about not appropriating enough money for the position if insurance or benefits needs to be included. Mr. Hegwer says if we approve the budget as it is then Ms. Kelly can come in and help advise the TDA on splitting the budget up. Mr. Hegwer suggested that today's goal should be just to approve the \$230,000 for the fiscal year. As far as answering questions about salary and benefits the City's Human Resource department has agreed to assist the TDA. Goals for the year will be to possibly fund the Executive Director Position, the possibility of giving grant money to support the TDA goals, continuing our relationship with MSA (Avenir Bold) which means we will be on a tight budget this year. Mr. Brown told the board that some of our expenses will not be needed next year because the expenses this year are to continue to establish the TDA with marketing and branding. As well as the \$24,000 to DSI will discontinue once an Executive Director is hired for the TDA. Mr. Patel says the goals should be to approve the \$230,000 and then we can amend the actual expenses once approved. Mr. Brown said that up to now we have been spending money to establish the TDA. Moving forward we will need to be more specific in our planning with line items on our budget. The budget for the year is estimated on the occupancy tax for the upcoming year.

Discussion Regarding the Grant Application (Exhibit E, F)

MSA (Avenir Bold) took the time to look over our grant application providing us feedback on writing the grant, Mr. Brown explained to the board. He feels that we need to ask the applicants to possibly match the grant that be given to them. Mr. Brown suggests that we include guidelines and a window for applying for the grant. That the TDA supports a wide and diverse variety of events in our community. We should have clear guideline for our application. Mr. Brown asked each board member to review the suggestions from MSA and come to our next meeting ready to finalize the application.

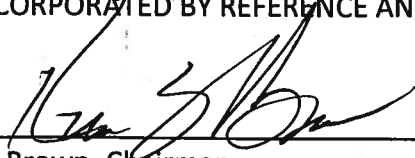
Discussion Regarding Assets for Marketing Use

Mr. Brown told the board that MSA is ready to bring a crew in to film our community to get assets for the website and other advertising.

ADJOURNMENT

Mr. Patel made a motion to adjourn the meeting; seconded by Mr. Foster. The motion carried unanimously.

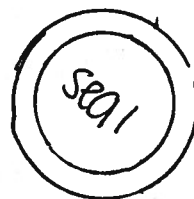
ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.



Kevin Brown, Chairman



Kelli Laudate, Promotions Coordinator for DSI



**ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2019-2020**

BE IT ORDAINED by the Sanford Tourism And Development Authority of Sanford, North Carolina in regular session assembled:

Section 1: The following amounts are hereby appropriated for the operation of the Tourism Development Authority and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020 according to the following summary.

<u>SUMMARY</u>	<u>REVENUES</u>	<u>APPROPRIATIONS</u>
Tourism Promotion and Development	_____ 230,000	_____ 230,000
TOTAL BUDGET	<u>\$230,000</u>	<u>\$ 230,000</u>

Section 2: The Finance Officer is authorized to transfer budgeted amounts within the department but any revisions that alter total expenditures must be approved by the Sanford Tourism & Development Authority through legislative action. All budget amendments must be reported in a public meeting of the Sanford Tourism & Development Authority and made a matter of record in the minutes.

Section 3: Copies of the Budget Ordinance shall be furnished to the Finance Officer of the City of Sanford to be kept on file by them for their direction in the collection of revenue and expenditure of amounts appropriated.

Adopted this the 25th day of June, 2019.



 Kevin Brown, Chair

ATTEST:

 Bonnie Davis, City Clerk

SANFORD TOURISM DEVELOPMENT AUTHORITY (TDA) SUMMARY OF REVENUES									
5/31/2019									
REVENUE SOURCE	BUDGET 18-19	RECEIVED FIRST QTR.	RECEIVED SECOND QTR.	RECEIVED THIRD QTR.	RECEIVED APRIL	RECEIVED MAY	RECEIVED JUNE	RECEIVED FOURTH QTR.	RECEIVED TO DATE 5/31/2019
Room Occupancy Tax		22,922.50	71,504.74	59,082.22	18,971.81	23,037.95		42,009.76	195,519.22
Room Occupancy Tax Penalties			42.36	49.96					92.32
TOTAL TDA REVENUE	200,000.00	22,922.50	71,547.10	59,132.18	18,971.81	23,037.95	0.00	42,009.76	195,611.54

SANFORD TOURISM DEVELOPMENT AUTHORITY (TDA) SUMMARY OF EXPENDITURES									
5/31/2019									
OBJECT OF EXPENDITURE	BUDGET 18-19	EXPENDED FIRST QTR.	EXPENDED SECOND QTR.	EXPENDED THIRD QTR.	EXPENDED APRIL	EXPENDED MAY	EXPENDED JUNE	EXPENDED FOURTH QTR.	EXPENDED TO DATE 5/31/2019
Advertising						1,296.00		1,296.00	1,296.00
Contractual Services - DSI		3,000.00	2,000.00	2,000.00					7,000.00
Contribution - NCLM		583.00							583.00
Funding Request - DSI				10,000.00		337.44		337.44	10,337.44
Insurance		1,125.00							1,125.00
Legal Services (Neil Yarborough)								21,075.00	21,075.00
Marketing - MSA				28,358.07					49,433.07
NC Trac			180.00						180.00
Professional Services - Audit		1,144.00	2,856.00						4,000.00
QuickBooks Subscription		555.00							555.00
Reimbursement - Website		1,200.00							1,200.00
Supplies				386.22	3,189.52	255.45		255.45	641.67
Training	200,000.00	0.00	0.00	6,729.13	3,189.52	(552.50)		2,637.02	9,366.15
TOTAL TDA EXPENDITURES	200,000.00	7,607.00	5,036.00	47,473.42	3,189.52	22,411.39		25,600.91	85,717.33

REVENUES LESS EXPENDITURES	0.00	15,315.50	66,511.10	11,658.76					109,894.21
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ACCRUALS	OUTSTANDING CHECKS	ADJUSTED CASH BALANCE
574.04	(345.50)	281,814.16
(345.50)	240.26	
(574.04)	1,930.71	283,557.13

Sanford Tourism Development Authority

PROFIT AND LOSS COMPARISON

July 2018 - May 2019

	TOTAL	
	JUL 2018 - MAY 2019	JUL 2017 - MAY 2018 (PY)
Income		
Room Occupancy Tax	195,519.22	100,169.36
Room Occupancy Tax Penalty	92.32	433.87
Total Income	\$195,611.54	\$100,603.23
GROSS PROFIT	\$195,611.54	\$100,603.23
Expenses		
Advertising	1,296.00	
Conference Sponsorship	180.00	
Contractual Services - DSI	7,000.00	
Contribution - NCLM	583.00	
DSI - Funding Request	10,337.44	
Insurance	1,125.00	745.89
Marketing	49,433.07	
Office Supplies & Software	641.67	
Professional Services	4,000.00	1,988.51
Training	9,366.15	
Total Expenses	\$83,962.33	\$2,734.40
NET OPERATING INCOME	\$111,649.21	\$97,868.83
Other Expenses		
Other Miscellaneous Expense	1,755.00	1.00
Total Other Expenses	\$1,755.00	\$1.00
NET OTHER INCOME	\$ -1,755.00	\$ -1.00
NET INCOME	\$109,894.21	\$97,867.83



SANFORD TDA
FY20 BUDGET PLANNING RECOMMENDATION
3.4.19

Following review of the initial FY20 Strategic Planning documents provided by MSA, the TDA requested a revised recommendation for a \$150,000 FY20 annual budget with a focus on website development, visitor collateral and video assets. The following revised budget recommendation is submitted for Board discussion and consideration.

ITEM	FY20 \$150K BUDGET RECOMMENDATION	CORE ELEMENTS		OPTIONAL ELEMENTS	
		PROJECTED COST RANGE		PROJECTED COST RANGE	
Brand Guidelines (Delay until FY21) <i>Development of detailed, written brand standards to inform internal and external brand use</i>		\$ 3,000.00	\$ 3,000.00		
Marketing Plan Development <i>Development of detailed integrated marketing plan for FY20 including costs and high-level framework for subsequent year</i>	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00		
Brand Creative Development <i>Brand platform, promise and campaign development costs. Includes development of 2-3 campaign concepts to be reviewed with TDA and refinements to final brand promise and campaign concept</i>	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00		
Brand Anthem Video/Television Spot <i>Development and production of :30 television quality brand video. Cost to vary based on use of existing assets versus custom video production for television</i>	(Not Recommended)			\$ 7,000.00	\$ 30,000.00
Brand Photography/Video Assets <i>Utilize FY19 funds allocated for brand asset development (\$9,000), plus an additional \$9,000 from FY20 to fund brand photography and video assets to be used to support brand campaign, website, social media, content and collateral.</i>	\$ 9,000.00	\$ 15,000.00	\$ 20,000.00		
Brand Translation <i>Execution of various creative materials/sizes based on final campaign concept for use in paid and social media.</i>	\$ 3,500.00	\$ 5,500.00	\$ 5,500.00		
Miscellaneous Resizes/Updates <i>Cost includes estimate for miscellaneous ad updates, resizes and fulfillment of added value opportunities. Assumes 1 hour per month.</i>	\$ 1,500.00	\$ 3,000.00	\$ 3,000.00		
Website <i>Dedicated TDA website to include consumer focused content and blog.</i>	\$ 28,500.00	\$ 20,000.00	\$ 35,000.00		
Visitor's Guide <i>Full visitor's guide included local advertisers. Estimate includes the cost range for a typical small to medium destination visitor's guide. Cost range includes the creation of guide design, content, layout, ad sales and coordination.</i>	\$ 38,000.00			\$ 25,000.00	\$ 47,700.00

Paid Media <i>(Deploy a geographically, demographically and editorially targeted paid media program flighted to support specific initiatives and drive established success metrics. Monitor analytics to optimize campaign as fiscal year progresses. Leverage partnership opportunities with VisitNC and other partners to extend visibility and budget impact.)</i>	\$ 9,000.00	\$ 50,000.00	\$ 100,000.00		
Brand Television Buy <i>At the TDA's request, we have provided cost for a 6-8 week brand awareness television schedule. Costs projected at recommended media weights. Ranges have been included as costs may vary based on market conditions/pricing at the time of placement. Cable is recommended for geographic flexibility and cost efficiency. Suggested markets based on VisitNC Regional Visitor research</i>	(Not Recommended)				
<i>Raleigh-Durham Cable Interconnect</i>				\$ 70,000.00	\$ 80,000.00
<i>Greensboro Cable Interconnect</i>				\$ 25,000.00	\$ 35,000.00
<i>Charlotte Cable Interconnect</i>				\$ 80,000.00	\$ 100,000.00
Content Marketing <i>Cost includes research, writing and publishing of approximately 1 custom blog post per month</i>	\$ 7,200.00	\$ 12,000.00	\$ 12,000.00		
Social Media <i>Monthly management, research, posting, analytics and optimization of social media accounts</i>	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00		
Hootsuite Professional Plan <i>Social media platform management fee</i>	\$ 348.00	\$ 348.00	\$ 348.00		
Quarterly Partner Newsletter <i>Cost estimate includes development and distribution of quarterly partner e-newsletter</i>	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00		
Partner/Contact Database Management <i>Includes newsletter platform service fee (MailChimp - \$324 annually) and agency database management</i>	\$ 1,824.00	\$ 1,824.00	\$ 1,824.00		
Account Service <i>Fee estimate assumes approximately 12 hours per month on general account stewardship and client meetings</i>	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00		
Misc. Operational Expenses <i>Includes monthly operational expenses such as postage, copies, supplies, travel, etc.</i>	\$ 900.00	\$ 900.00	\$ 900.00		
Promotional Contingency <i>(Set aside contingency budget to fund any opportunities that may arise within the fiscal year. Unspent contingency will be reprogrammed as additional paid media weight.)</i>	\$ 728.00				
TOTAL	\$ 150,000.00	\$ 161,072.00	\$ 228,072.00	\$ 207,000.00	\$ 292,700.00

Sanford Tourism Development Authority Special Events Funds Request

OVERVIEW:

The purpose of the TDA is to promote, solicit, and encourage tourism in the City of Sanford; to advertise or market an area or activity; to publish and distribute pamphlets and other materials; to conduct market research; or to engage in similar promotional activities that attract tourists or business travelers to the area and to provide such services as are related to tourism. As such, our efforts and funds are concentrated in the attraction of visitors to Sanford and any event or organization that directly impacts Sanford's tourism and hospitality industries.

Sponsorship funds are designed to provide marketing resources to partners for the purpose of attracting visitors to Sanford and growing the economic impact of those visitors.

The TDA will review and consider pledging marketing dollars to organizations initiating, developing, planning or executing marketing, events and activities that seek to attract new visitors to Sanford. The TDA reserves the right to approve or deny any support funds request. All special events fund requests will be examined and awarded on a case by case basis.

Sanford TDA Special Events Funds Request—Areas of Consideration for Support:

- Projects and/or areas of focus identified in the TDA Plan of Work
- Expansion and growth of existing programs, events or marketing. Applicant must clearly demonstrate how supporting an existing program will increase tourism
- Events that seek to attract visitors
- Attracting new visitors
- Launching a new visitor-related event, activity or promotion aimed at attracting new visitors, especially during low demand times of the year
- Events with broad-based community support

Sanford TDA Special Events Funds recipient requirements:

- Applicants must demonstrate (when applicable) financial solvency of the project in which tourism support funds have been requested
- Submit annual financial statements
- Have a proven track record of providing tourism marketing, events or activities
- Clearly identifies the scope and importance of the tourism project and how will increase the number of visitors to Sanford
- Recipients must provide an after-action report in order to qualify for funding in following years

Applicants awarded Sanford TDA Special Events Funds will be notified of a pledged dollar amount that will be spent on their behalf in marketing the program as part of the TDA's overall marketing campaign.

REQUEST FOR SANFORD TOURISM DEVELOPMENT AUTHORITY SPONSORSHIP
SUPPORT

(This application must be completed in full in order to be eligible)

Name of Applicant _____

Federal Tax ID # _____

Address _____

Phone _____ Email _____

Project Director _____

Project Name _____

Date Project to Begin: _____ Date Project to End: _____

Total Project Budget _____

(attach detailed budget including marketing)

Existing Event _____ If yes, date of existing event _____

New Event _____

List additional sponsorship funds _____

(attach more sheets, if necessary)

Overall Support Requested _____

Detailed Support Requested _____

Does your organization receive any public funding? _____ Yes _____ No

If yes, how much? _____

Source of public funding _____ Local _____ State _____ Federal

Does your organization receive funding from a Foundation? _____ Yes _____ No

If yes, what Foundation(s)? _____

Is your organization _____ Non profit _____ For profit

Please supply a copy of your latest filed 9-90 form. _____

Attach a Narrative Description of Project (Included need assessment/purpose of project, outline of project procedure, intended results of project)

Project justifications and benefit to the City of Sanford _____

Anticipated reach _____

How will this attract new visitors _____

Attach additional sheets detailing any additional comments and/or recommendations or research that support the need for TDA support of project and/or project's merit as a tourism marketing, event or activity in Sanford.

Please provide a detailed a narrative describing the tourism marketing, event and activity, its merit and value to the destination. Items to consider should include:

1. Describe the project in the context of the organization's purpose and goals.
2. Explain in a clear and concise manner what activities will occur, when and where the project will happen, and how it will grow and increase Downtown visitors.
3. Describe the personnel, partners and participants involved in the project.
4. Describe what you hope to accomplish through this project and how you will measure the project's success.

Signature
(Project Director)

Date

Signature
(Authorized or Administrative Official if applicable)

Date

Return to: Sanford TDA 225 E. Weatherspoon St. Sanford, NC 27330, as well as
a PDF copy to bonnie.davis@sanfordnc.net.

Grant Application Review

From: Kaitlin Crocker <kaitlin.crocker@thinkmsa.com>

Sent: Wed, Jun 12, 2019 at 2:45 pm

To: kplaudate@downtownsanford.com

CC: Jan Johnson

[image001.png](#) (7.5 KB) [image002.png](#) (< 1 KB) [image003.png](#) (1.1 KB) [image004.png](#) (1.1 KB)
[image005.png](#) (1.2 KB) [Sanford_Notes_6.7.2019.docx](#) (36.6 KB) – [Download all](#)

Hi Kelli,

I think the grant application and guidelines look great! A couple recommendations we have are as follows:

Guidelines:

- I would consider adding “marketing” to the grant title, something like “Sanford Tourism Development Authority Special Events Marketing Grant” – I just think it helps to identify upfront what the funds should be used for. Marketing makes the most sense because in addition to being helpful to the event organizer, it also has a direct positive (and, hopefully, quantifiable) impact on Sanford and the TDA.
- Set parameters for spending. You may have done this, but I didn’t see it noted in the guidelines or application. This could either be a range or a set amount for different size events. For example, an event that draws 2,500 people or less could receive up to \$1,000, but an event that draws more could receive up to \$5,000. These amounts aren’t a specific suggestion, just throwing numbers around for perspective!
- A requirement to consider is that the Visit Sanford logo (or name in cases of audio or announcements) be included in promotional materials. This isn’t a huge ask and is a great way to circulate the destination and get some extra attention!
- I really like that the TDA asks for an after-action report. I would ask for some specific items here, such as event attendance, estimated overnight stays, estimated out of town guests, etc. These numbers would also help the TDA to report their impact in the destination through this grant/support. Some Town’s ask for copies of paid and unpaid advertising (especially if you ask for the TDA logo to be included), as well as copies of any public relations material or if any local/regional publications or other media picked up the event.
- Depending on how the Board would like to structure this grant, some Town’s also do a reimbursement grant. Once the after-action report is submitted, you would then distribute funds. You would also ask for paid invoices/receipts from any marketing material that they would like to be reimbursed for, up to a certain amount.

Application:

- I think the application itself is in a really good place!
- I would consider asking the event organizer to estimate the number of anticipated overnight/hotel stays. I realize it would just be an estimate, but sometimes it is helpful to see their estimate when applying versus their estimate in the after-action report. This will also help to gauge the impact of the event on TDA funding – the more hotel stays, the better!
- One other small change to the application, we would suggest changing the wording of “Project justifications and benefit to the City of Sanford” to “Project justifications and benefit to Sanford’s tourism market” or something aligning more with tourism.
- Again, I would add “marketing” to the title if that is the route that the Board decides to take with the funds.

I hope this helps! I think that the application and guidelines have a solid start. It is so tough for some Town’s to get the ball rolling on new grants or even making changes to grant processes, so this is a great and really exciting project!

We also have a Google Doc ready for you that we will explain on the call Friday, but I have given you access to it below. The notes from our meeting last week are also attached to this email in case you wanted to send the Board a quick update. I have attached it as a word document in case you would like to make any changes or if you see anything that I missed. Let me know if there is anything else you need!



Sanford Tourism Development Authority
SPECIAL CALLED MEETING
Thursday, June 13, 2019 at 9:00 am
West End Conference Room
225 East Weatherspoon Street, Sanford NC 27330

AGENDA

1. **MEETING CALLED TO ORDER**
2. **PUBLIC COMMENT**
3. **APPROVAL OF AGENDA**
4. **SPECIAL CALLED MEETING AGENDA**
 - A. Discussion Regarding Next Year's Budget
 - B. Discussion Regarding the Grant Application
 - C. Discussion Regarding Assets for Marketing Use
5. **ADJOURNMENT**