

Metro Tourism and Convention Commission

June 26, 2019

Minutes

Commissioners present: Howard Kittell, Tonya Lewis, Leesa LeClaire, Sherry Franklin, Mark Hayes, Hank Locklin, Randy Miller, Shannon Sanders

CVC Staff present: Butch Spyridon, Adrienne Siemers, Andrea Arnold, Deana Ivey, Scott McDaniel, Jeff Mefford, Terry Clements

Meeting was called to order by Chair Kittell.

No changes to the minutes from the previous meeting were noted. **Motion to approve the Minutes by Randy Miller, seconded by Tonya Lewis; unanimously approved.**

Financial Report

Fiscal 2019 YTD Financial Report

We're almost to the finish line for the budget year and the financial activities of the CVC are still tracking in line with our overall budget plans. As normal, there are always some ebbs and flows within the budget as we adjust during the year to changing opportunities. But this will end as another positive year financially.

Terry will go over the details, but Hotel Tax collections have continued to exceed our projections through this point in the year. But as I do regularly, I will remind everyone that the tax collections go to the city and not directly to the NCVC. Our revenue is only the amount necessary to fund our actual expenses.

Turning to the Financial Summary itself --

Thru May, we have only requested reimbursement from the hotel tax contract in the amount of \$21,266,674 as we don't make contract funding requests in advance. But there are several major expenses that will hit in June that we anticipate will increase the final funding needs significantly beyond the current level.

In the Sales Expense section, the 2 items I'd like to touch on are the Client Events on Line 14 and International Programs on Line 16. The Client Events category includes the net costs from our Metro Budget to support the NFL Draft in April. Within the International Program expenses are 2 activities that both support the new direct London Flight by British Airways. In addition to the financial support for these programs that comes from the NCVC operating budget, these programs also had other significant outside funding. For ease of explanation, the expenses reported here are only those that have been funded by our Metro Contract Budget, so they are net of the other outside funding. For example, a \$1.5 million grant from the TN Dept. of Economic Development provided support for the marketing campaign promoting the launch of the London flight.

As mentioned earlier, these are also the programs that will see some major expenses reported in June, which will adjust the relative YTD spending allocation between Sales and Marketing back closer to the original budget projections.

On the Marketing side, the story has not changed dramatically since our last report. The costs associated with the development of our new website are reflected on Line 33, and we added the costs of producing an unfortunately limited number of Predators Playoff Watch Parties to the Event Production category. The costs associated with our late Springtime advertising efforts will appear in the year-end report as well.

Throughout the rest of the report are the expenses for all of the other day-to-day ongoing sales and marketing efforts that you will hear about in the other reports today, and the countless little things that go on behind the scenes that all come together to achieve the results that we are seeing in the tax collection reports.

As always, once the books are closed for the year, there will be an independent audit performed by our CPA firm to confirm the final results.

So bottom line, things are in good shape financially.

Motion to approve the Financial Report was offered by Sherry Franklin, seconded by Hank Locklin; unanimously approved.

CVC Report

Butch referred to the CVC Goals handout and we are on pace to meet or exceed every goal. He passed around the current copy of Southern Living Magazine. They called and the back cover had become available just before it went to the printer. What would have been a \$150,000 buy was offered to us for \$16,000. We took the opportunity to promote Live on the Green with a strong lineup this year and the upcoming Men's Soccer game July 3. CMT is televising this year's July 4th event.

We are close to finalizing CNN for New Year's Eve. CMT wants to broadcast NYE but we won't let that happen unless they can bring their broadcast partners MTV or VH1 to reach a broader audience. July 4th was just named by Town and Country and Travel and Leisure magazines as one of the best fireworks shows in the country.

We had a great quarterly meeting with British Air. The flight is still doing extremely well and future bookings look good. They will continue to operate 5 days a week in the winter and we will keep the larger plane.

Adrienne reported we hosted 76 site visits this quarter and 9 familiarization tours.

We have 2 new videos for you to see, one is a recap of the NFL Draft, most of the footage was shot by ESPN who gave us their footage and Scott edited it. The NFL says it ranked as the best fan experience of any event they have produced in the history of the NFL. The NFL would like to bring the Draft back to Nashville.

Marie Sueing has needed a video that shows the diversity of Nashville. Shannon Sanders wrote and performs the song that accompanies the 2nd video. The video was a hit with the Commission.

The brand-new Visitors Guide was distributed.

On July 9th we will co-host a candidate forum and have targeted all Metro Council candidates, but we will invite anyone running for any office to attend. You are all invited the Music City Center from 11 to 1. Charles Robert Bone will do a snapshot of the industry: how we are funded, where the money goes, how it is generated. After that, we will have a panel moderated by Demetria Kalodimos. We have Laura Hollingsworth from Gaylord Hospitality, Charles Starks from the MCC, Sherry Franklin and Butch on the panel. That same day we will do one-on-one meetings with the Mayoral candidates.

Bob Fisher was just elected to be Chair elect of the Board, we will also have the Chief Medical Officer of HCA, Eddie George, Kevin Lavender and the GM of the OMNI Hotel.

We just completed our major visitor intercept study we do every 3 to 5 years and will have that for you at the next meeting.

Sherry reported the nominating committee wishes to move Howard as Chair for the next year, the nomination was seconded by Hank and unanimously approved.

Meeting was adjourned.