

# Board of Directors Meeting Minutes

## Chamber Boardroom

August 26, 2020 - 9:00 am

**Attendees:** Stuart Butler, Pablo Chavez, Tracy Conner, Kenny Generette, Mike Hagg, Alex Husner, Matt Klugman, Theresa Koren, Steve Mays, O'Neil McCoy, Billy McGonigal, Ryan Moore, Monty Morrow, John Rowe, Samantha Slapnik, Amy Stevens, Robert Stinnett, Atiya Stokes Brown, Alicia Thompson, Tom Tse, Ben Vukov

**Absent:** Jamie Broadhurst, Radha Herring, Seth McCoy

**Guests:** Mark Bonsall, Mike Poston, Nathan Skipper

**Staff:** Karen Riordan, Diana Green, Cindy Gettig, Jimmy Gray, Scott Schult, Randy McKeel, Bob Harris, Diane Charno, Rebecca Edgar

### **Call to Order / Approval of Minutes**

Steve Mays, Chairman, called the meeting to order at 9:05 a.m.

The June 26, 2020, meeting minutes were reviewed. Mike Hagg made a motion to approve the June 26, 2020 minutes as presented. John Rowe seconded the motion, which passed upon a unanimous vote.

### **Presentations:**

Santee Cooper CEO, Mark Bonsall, presented an overview of Santee Cooper initiatives including energy economics and strategy for saving and future projects.

Nathan Skipper with Smith Sapp reviewed the MBACC 2019 audited financials. There was a change in accounting standards relating to grants in 2019, which is further explained in the notes to consolidated financial statements.

There was discussion regarding the Myrtle Beach Commerce Center, which was created to protect the MBACC non-profit exemption while growing advertising businesses and generating revenues from these sources. As the chamber has moved away from those advertising models, the Commerce Center no longer generates revenues and the corporation creates a growing annual net operating loss. The group debated dissolving the Myrtle Beach Commerce Center as it is no longer an active entity and continues to build operating losses. The Finance Review Committee will confirm that TIP funding would not fall under the purview of the C-corp and make a further recommendation.

Upon a motion made by Ryan Moore and seconded by Robert Stinnett, the Board unanimously approved the satisfactory audit as presented.

## **Division Reports**

### *Business Development:*

Billy McGonigal presented 11 new member investors for approval. Upon a motion made by O'Neil McCoy and seconded by Mike Hagg, all new members were approved by a unanimous vote.

John Rowe made a motion to ratify 14 new members approved by an e-vote on July 21, 2020. Seconded by Alicia Thompson, the 14 new members were unanimously approved.

Cindy Gettig reported that 7 members have elected to renew using the payment plan; 49 investors did not renew, 19 of which went out of business during the pandemic. We are currently at 79% of the renewal goal and 61% for retentions. Deadline for renewals is in September, but the Business Development team will continue to work beyond that date. Sixty percent of restaurants have renewed, 48 retail businesses and half of lodging members have also renewed their membership. There have been 104 new members for the year thus far.

Atiya Stokes-Brown reported that the Diversity, Equity, and Inclusion Council has met several times to develop an educational series called EVOLVE. (Educated Voices on Leading & Value Equity) The focus of the webinar series will be on how businesses and organizations can build a plan on diversity, equity, and inclusion. Upcoming sessions are listed on the MBACC website.

### *Finance:*

Randy McKeel reviewed the consolidated financials and statement of financial position for the period ending July 2020. CVB revenues are down due to the pandemic and nonrestricted revenues were down \$675,000vs. budget. More A-Tax and TDF funds were received than anticipated. Personnel expense are down as part time staff have not yet returned to payroll. The net increase in assets is \$4.42M.

Finance worked with a model created by Tourism Economics to generate a revised forecasted budget, which was reviewed by Mr. McKeel.

Upon a motion made by Mike Hagg and seconded by Ryan Moore, the revised 2020 budget was adopted with \$2.7m projected to come from restricted revenues.

### *Marketing:*

Stuart Butler reported for the marketing division. Campaigns have shifted from summer to fall. There is potential funding available through CARES Act for advertising. Marketing Council is looking into how to utilize reserves and how funds will be spent next year with the decrease in TDF monies. They are working with Tourism Economics on tourism impact data.

## **CEO Report**

Karen Riordan, CEO, stated that all staff will participate in the EVOLVE series and the Chamber will put heavier focus on changing culture and policy within the organization. Ms. Riordan is working closely with Randy McKeel on strategic planning and looking at a 2- year plan including the 2021-22 budget.

Ms. Riordan has been participating in City downtown redevelopment meetings with the Lima Group and continues to work to create synergy with One Grand Strand.

There were 4 finalists in the Public Relations RFP, all of which presented to the PR task force. The task force recommends continuing the relationship with Falghren Mortine, noting they have done a great job and that there has been no price increase in their services since the beginning in 2012.

Upon a motion made by Mike Hagg and seconded by Billy McGonigal, there was a unanimous vote to accept the recommendation of Falghren Mortine as the public agency of record. Ms. Riordan will move forward with negotiating a 2-year contract with an option for one year extensions and for a 60-day termination clause.

The Media RFP has begun with both incumbents participating.

### **Chair Report**

Steve Mays reported that the City of Myrtle Beach will be voting to designate the Myrtle beach Area Chamber of Commerce as its DMO. Thirty percent of A-Tax monies are allocated to the Chamber for marketing. The Chamber then returns 50% of what it received back to the city in support of the police force and an additional 5% that goes back to the City as a hold back. The City of Myrtle Beach has requested additional monies for their beautification initiative. The legal opinion in this matter is that this is not allowable under the law with restricted A-Tax funds, but the Chamber will look for other ways to assist the city in the beautification effort.

Matt Klugman stated that there are encouraging signs with hotel reservations. More positive public relations is coming out of the Grand Strand and the tourism recovery is encouraging. Based on the study from Tourism Economics, Myrtle Beach is poised to rebound quicker than previously anticipated.

The Board Nominating Committee will be reviewing candidate applications and conducting interviews for the 7 vacant seats for 2021. The vote for the new Board members and new chair will take place at the October meeting of the Board of Directors.

### **Adjourn**

Upon a motion made by Ryan Moore and seconded by Billy McGonigal the meeting adjourned at 11:15 am.