



**Ocracoke Tourism Development Authority (OTTDA)
Board Meeting Minutes**

May 22, 2020, 9:00 am
Via: Zoom

Location: Via Zoom

Attendees (Board): Daphne Bennink, Martha Garrish, Greg Honeycutt, Amy Howard, Lisa Landrum

Attendees (Non-Board): Helena Stevens (Executive Director), Dana Long (Admin. Assistant), Jeff Dippold (Bookkeeper), Kris Noble (Hyde County Manager), Corrinne Gibbs (Hyde County Finance Officer), Tom Pahl (Hyde County Commissioner), Connie Leinbach, Jenny Scarborough, Sara Teaster, Steven Harris, 252-921-0125, iPhone (2)

Handouts:

- Agenda dated May 22, 2020
- OTTDA Attendance Sheet
- Audio Recording of Meeting
- OTTDA Executive Director Job Description
- FY2020-2021 OTTDA Budget 5-22-2020

Call to Order

Amy Howard calls the meeting to order at 9:00 a.m. on May 22, 2020.

Discuss and vote on April 20, 2020 Meeting Minutes

Martha motions to approve the meeting minutes. Daphne seconds the motion. Motion passed.

Status of the Split with OCBA

- OTTDA Executive Director Job Description
 - o Amy made minor adjustments to job description and sent to all board members.
 - o Martha motions to accept job description with changes, as written. Daphne seconds motion. Motion passed.
 - o Helena to decide to accept or decline TDA ED position. Helena states she is interested in the position.

Budget Discussion

- Once approved, the draft budget discussed today is posted for 10 days. A public hearing will be scheduled 10 days later.
- Jeff Dippold reports the following:
 - o Draft budget as of May 22, 2020.
 - Tax collections for the first 10 months of the year total \$253,000 (per Hyde County)
 - Revenue projections for FY20/21 are significantly reduced due to COVID-19.
 - At last meeting, tax collections were estimated at \$100,000. The budget amounts for Executive Director salary, medical benefits, and payroll taxes were based on last meeting. Same for contracted services, legal and audit, technology fees, administrative assistant. Island Inn funding was removed from that budget (OPS sent a request to the OT Board for a higher amount and was approved). Per Amy, the request was approved as a one-time per year agreement. Computer programs (detailed), insurance, Teach's Hole office space \$10,000/year. VisitNC365 Conference, Ocracoke advertising, Ocracoke events and visitor enhancement \$10,000 were included. Advertising campaign requires further review. \$62,000 would expend what the total fund balance is as of June 30, 2020. This has slightly changed. Projecting available funding this fiscal year, as of April 30, 2020, \$55,309 in the checking account. A preliminary estimate of \$3,500 of additional tax receipts. This amount could possibly change. Projected expenses are OCBA \$21,583 for two (2) more months and funding for Ocracoke Preservation Society at \$1,470 for another two (2) months. Other expenses that may or may not come about would include any unforeseen legal fees, other tourism expenses (\$10,000 projecting only one-half of that would be used, reduced to \$3,500). In April, there was a disbursement for Jason's signs of \$1,550. Expenses are projected at \$54,606. An estimated \$85,000 of total funding OCBA would have received for the current year is going to be returned. Deferral of Element Advertising \$45,000, in addition to that, Element Contract is \$110,000, \$15,000 additional locally based advertising that has not been used. OCBA is expected to return approximately \$85,000 to the TDA. Projecting \$89,000 to \$90,000 in available funds for the OT Board for the next fiscal year. \$78,000 of loss with \$100,000 budget.
- Kris Noble recommends budgeting conservatively and to not overestimate revenues.
- Martha suggests estimating for one (1) week of May, not half of the month due to cancellations up to May 22, 2020.
- Per Corrinne Gibbs, the proper protocol would be to adopt a budget as presented. If there is more revenue than what was originally projected, the proper protocol would be to do a mid-

- year budget revision, that would not require a public hearing, only a meeting with the board. The board approves the budget revision, then it goes before the county and they approve it.
- Tom Pahl asks if the return of funding from OCBA has been confirmed. Jeff states the funds are being monitored closely and would like to see the funds returned to the county by the end of June 2020. The funds are in the account and are accessible.
 - Jeff asks: If Helena becomes the TDA Executive Director, does the TDA still require an EIN or does she become a county employee? Corrinne states that the TDA will still need an EIN and Helena would not be a county employee. A payment request would need to be made to Hyde County to cover it. The TDA would request its own funding to pay her. This would require a separate checking account to pay her.
 - Greg expresses concern about voting on budget right now due to uncertainty of Element contract.
 - Budget Vote: Greg makes a motion to accept budget as shown for \$181,000 total; Martha seconds motion. Motion passed. Budget passes. Budget will be posted at Post Office, Variety Store and Ocracoke Community Center. Donnie Shumate to post on-line on county website. Public Hearing to be scheduled for Friday, June 5, 2020, 9:00 a.m. at the Ocracoke Community Center and online through Hyde County. Dana to reserve Ocracoke Community Center and will contact Donnie Shumate to set up Live Stream.
 - Tom Pahl states the budget is out of balance (showing a deficit of \$81,000). Amy states that it does not include the carry-over. Tom suggests showing the carry-over prior to posting. A line item needs to be added for the carry-over from FY19/20. A motion needs to be made for the adjustment of line item for reimbursement from OCBA to bring the budget into balance.
 - Greg makes motion to update to budget, Martha seconds motion, strike last vote on budget. Updated budget, no other comments, all in favor, no one opposes, motion passed.
 - Amy asks Jeff to e-mail budget to all whom she sent the meeting agenda to.
 - **Bank Account / Hyde County Finance Officer**
 - o Corrinne and Jeff have discussed the TDA bank account and agree that the bank account needs to be put on hold until audit regulations are figured out. Corrinne is still the Finance Officer of the TDA by law, and she would still need to pre-audit all transactions.
 - o Kris discusses that they were able to get a grant to from Office of State Budget hire a Grant Administrator. The Grant Administrator would be an extension of the Finance Office, it would help funnel the grant money.
 - **Advertising Agency Discussion**
 - o Amy, Greg, and Helena took part in a meeting with Element Advertising recently. Amy states she underwhelmed with Element and has questions about how much summer advertising needs to be done. Amy expresses her opinion of how much advertising needs to be done for the summer until it is known how we handle the number of people we are already getting, wants to focus more on winter/spring of

next year. Amy also expresses her opinion that advertising has not gotten any better over the past 3 years. Greg agrees. Daphne also agrees and does not like them, feels that they do not represent Ocracoke. Amy suggests more organic style advertising.

- Contract is in place. Amy asks what needs to be done to end the contract. Greg asks if Helena could contact Element to get out of the \$47,000 (what is left in the contract). Amy states there does need to be a 60-day notice and fees. Martha reminds everyone that there is not a big advertising budget, caution should be taken with a lower budget.
- Daphne asks Helena talk with Element to determine what the options are for the remaining \$47,000.
- Helena expresses her concern about moving forward with this without having a back-up plan. Hiring a new agency and going through RFP process is involved (a new agency would require the same as Element did with getting to know Ocracoke).
- Helena suggest talking with Element about a structure going forward that would reduce expenditures considering the situation post two (2) catastrophes, COVID etc. What would be a plan to go forward? Helena agrees to contact Element regarding this. Helena also agrees to get other agencies to submit RFP's for next year's budget of \$85,000-\$100,000 range (per Amy). Helena asks Amy to forward her the names of any agencies that have approached or would like to be approached. Daphne and Amy both state that nobody has been approached and this will be discussed at a later time. Helena asks for clarification regarding does the board want her to discuss with Element about exiting the contract or go with Element for the remainder of the contract. Daphne would like to finish out the contract. Greg agrees.
- Tom Pahl adds in that now is a good time for transition. He expresses his concern regarding Element not representing Ocracoke as it is.

Public Input

- No comments from the public

New Business

- **Discuss Next Meeting**
 - **Friday, June 5, 2020, 9:00 am Ocracoke Community Center (Board Members only) along with Hyde County Live Stream (for public)**

ADJOURN

- Martha motions to adjourn, Greg seconds, all in favor, no one opposes. Meeting adjourned.

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