

BARTHOLOMEW COUNTY CONVENTION, RECREATION and
VISITOR PROMOTION COMMISSION
June 19, 2019

Name:	Title:	Appointment:	Attendance:
Ann Heimann	Member	Commissioners	Present
Robin Hilber	President	Commissioners	Present
Mary Ann Patterson	Secretary	Commissioners	Absent
Denise Pence	Member	Commissioners	Present
Shirley Robertson	Vice-President	Commissioners	Present
Frank Griffin	Member	Mayor	Absent
Sarla Kalsi	Member	Mayor	Absent
Nick Sprague	Treasurer	Mayor	Present
Jessica Stevens	Member	Mayor	Present
Patrick Andrews	Member	Mayor	Present
Josh Burnett	Member	Mayor	Present

The Bartholomew County Convention, Recreation and Visitor Promotion Commission ("Commission") met on Wednesday, June 19, 2019 at 3:00 p.m. in the County Council Chambers of the Government Office Building, 440 Third Street, Columbus, Indiana.

President Robin Hilber called the meeting to order. A quorum was reached with eight members of the 11-member Commission present.

Commission members Denise Pence and Patrick Andrews who had not been sworn in previously were sworn in at this meeting by Auditor Pia O'Connor.

The next item of business was the approval of minutes from the February 26, 2019 meeting. Ann Heimann made a motion to approve the minutes. Josh Burnett seconded the motion. Approval of minutes was passed unanimously.

Commission members discussed the frequency and amount of Innkeepers' Tax disbursements. It was noted that Bartholomew County attorney Grant Tucker agrees that we can make quarterly

disbursements to the Visitors Center in equal installments so long as funds are available and not to exceed the annual contract approved dollar limit.

A discussion concerning meeting dates for 2020 was held with the decision to wait until our first meeting of 2020 to set the timeline since members of the Commission may change after 12/31/2019.

The Treasurer's Report was next on the agenda. Treasurer Nick Sprague presented the report and 2020 outlook as follows:

BARTHOLOMEW COUNTY CONVENTION, RECREATION AND VISITOR PROMOTION COMMISSION

Treasurer's Report – June 19, 2019

Attached is a spreadsheet detailing Innkeeper's Tax collection over 2012-2018 and an additional five months in 2019. For the first five months of this year, collections are running about 7.1% higher from this time last year. Part of this is driven by a time increase in the amount collected because of a change in procedures at the Auditor's Office where they no longer withhold \$7,500.00 from being distributed. Accounting for the \$7,500.00, actual collections would be up approximately 5.6% in 2019.

The Commission continues to use a Money Market Account earning approximately 2.02% interest. The Money Market includes checks, which we use for administrative expenses (i.e., legal notice ads). Beginning in March, we transitioned to direct deposits into the account from the Auditor's Office. Last year, the Commission approved a 2019 appropriation for \$1,440,100.00 to the Visitor's Center, Inc. ("VCI") and no special project allocation as done in previous years. So far this year, we have paid out \$720,050.00 to VCI for its operating budget. These payments are made quarterly. During this period, we have seen our money market balance decline from \$607,327.56 to \$409,338.24.

MONEY MARKET	
Beginning Balance 01/01/2019	\$607,327.56
From Auditor	\$ 517,458.34
Interest Earned	\$ 4,608.71
	\$ 1,129,394.61
Administrative Exp.	\$ (6.37)
ACF Payment to VCI	\$ (720,050.00)
ENDING BALANCE 6/19/19	\$ 409,338.24

The Treasurer's office currently has no hotels that are delinquent on payments. Last year at this time, we had one hotel significantly behind. We will continue to monitor this situation as delinquent hotels do affect the amount of collections payments we receive from the Auditor's office.

Collection Outlook for Remainder of 2019

The summer months are historically the busiest time for the hotels and are generally our strongest months for collections. During the last seven months of 2018, we received \$1,061,151.06 in tax collection payments from the auditor, which was slightly higher than the same period in 2017, when we received \$1,039,510.70 in collection payments. At this point, we have \$720,050.00 in allocations still to be made to VCI. The overall market remains good, but area hotels report some indications of slowing business travel. The summer travel season is forecasted to be a record nationally, and sports tourism continues to be a strong driver locally. Additional supply brought on by the Fairfield Inn & Suites and Holiday Inn should help keep more rooms in Bartholomew County for busy weekends. However, an unusually wet June has led to tournament cancellations and teams canceling room nights, which will

likely impact collections. Further, the additional supply is leading to more competition and lower rates in the market, impacting the amount of tax collected. Given this information, a safe estimate would be for collections to fall somewhere between \$1,000,000 and \$1,100,000. Collection payments of around \$1,000,000.00 less the VCI allocations of \$720,050.00 would leave us with approximately \$690,000 in cash on hand at the year-end.

2020 Collection Outlook

At this point, 2020 appears like it will be a good year for the local hotel industry. In evaluating 2020 allocations, factors to consider include:

- **National and international travel.** Domestic travel remains strong boosted by stronger wage growth, low unemployment, and steady corporate spending. At the same time, international travel is seeing less growth affected by weaker overseas economies and stricter US customs, trade, and travel policies. Some economic indicators point to a slowdown in the domestic travel industry in 2020. We must continue to monitor these trends in assessing 2020.
- **Sports Tournaments.** Sports tourism will likely continue to play a significant impact on our collections during the warmer months. Right now, few dates are set for tournaments, but many tournaments repeat annually. VCI is actively pursuing several large tournaments.
- **Hotel Room Supply.** The Holiday Inn and Fairfield Inn & Suites have added 196 rooms at Exit 68 in 2018-2019. A Home2 Suites by Hilton is scheduled to open in 2020 at Exit 68 next to the La Quinta Inn and Econo Lodge. It remains to be seen how the market will absorb these rooms in 2020. However, ADR and occupancy growth are likely to fall as a result of these added rooms.
- **Camp Atterbury.** Atterbury continues to bring significant business to area hotels. Increased investment in the camp along with overall greater military spending by the Trump Administration should benefit the Camp.
- **Indianapolis Spill-Over.** Conventions and sporting events in Indianapolis often lead to spill-over to Columbus area hotels. The 2020 list is still being finalized. Major 2020 conventions that will impact our area include the national conventions for NRA, FFA, and FDIC International. Major sporting events include the Indy 500 and the NCAA/Big Ten Championships in Indy.

VCI 2020 Request

VCI has requested an allocation \$1,440,500.00 in 2019 for its operations. The request also includes a request for two special projects. In 2018, collections exceeded VCI's 2020 operations request. With this in mind, the Commission should feel comfortable approving the 2020 VCI request for its operation funds. Special projects should be considered based on the Commission's existing cash-on-hand.

END OF TREASURER'S REPORT

A discussion was held concerning current and estimated future collections. It was noted by Treasurer Sprague that the one grant application received to implement the Tourism Promotion Plan was from the Visitors Center with a fiscal year 2020 request for an allocation of \$1,440,500 for operations, up from \$1,440,100 in 2019. A special request for \$200,000 was also received. Based on

collections received, Treasurer Sprague recommended the approval of the total allocation amount of \$1,440,500 for operations with discussion to follow the presentation by the Visitors Center concerning the special request. Ann Heimann moved to approve the Treasurer's Report and Patrick Andrews seconded the motion. It was unanimously approved.


Next item was the presentation from Karen Niverson of the Columbus Area Visitors Center. Also presented was the Special Project Funding Request for \$100,000 for the renovation of The Commons Playground and \$100,000 for the Camp kidscommons Exhibit Project. Ms. Niverson provided information on these projects as well as information on the twelve community projects that the Visitors Center Tourism Development Committee considered based on tourism impact, long-term viability, and readiness for implementation for calendar year 2020. The Commons and kidscommons projects were the two projects that received the greatest weighting by the committee and are being presented to us for consideration as being the top projects to attract additional tourism. The Commission has previously granted two special project funding requests based on additional Innkeepers Tax dollars received which were more than had been projected.

Prior to voting, JT Doane, Edinburgh Town Manager, asked to speak. Mr. Doane was joined by Jerry Lawler, President of the Edinburgh Town Council. Mr. Doane spoke of several projects that Edinburgh would like to ask funding for since baseball fields are rented for tournaments which attract tourism. It was explained that the funding the Commission provides is for management of the Innkeepers' Tax dollars. Any individual project grants should be requested directly from the Visitors Center Grant Committee. In our discussion, it was noted that Edinburgh does receive payment for tournaments via rental of the baseball fields.

A motion was made to approve the tax allocation disbursement of \$1,440,500 to the Visitors Center for operations by Ann Heimann and seconded by Josh Burnett. This disbursement was unanimously approved. A motion was made to approve the \$200,000 Special Project request by Jessica Stevens and seconded by Ann Heimann. This request for a special disbursement to be made on a reimbursement basis as expenses are incurred was unanimously approved.


There being no additional business, Ann Heimann motioned to adjourn the meeting. Josh Burnett seconded the motion which was passed unanimously. The meeting was adjourned at 5:15 p.m.


BARTHOLOMEW COUNTY CONVENTION, RECREATION AND VISITOR PROMOTION COMMISSION



Patrick Andrews, Member



Josh Burnett, Vice-President

Frank Griffin, Member

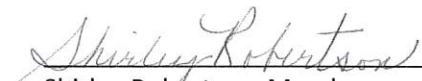

Ann Heimann, Member


Robin Hilber, President

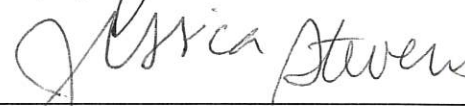

Sarla Kalsi, Member


Mary Ann Patterson, Secretary


Denise Pence, Member


Shirley Robertson, Member


Nick Sprague, Treasurer


Jessica Stevens, Member