

**Buncombe County Tourism Development Authority,
A Joint Meeting of the Public Authority and Nonprofit Corporation**

Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

Board Meeting Minutes
Wednesday, May 30, 2018

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John Luckett, John McKibbon
- Absent (Voting):** Paula Wilber
- Present (Ex-Officio):** Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** Asheville City Councilmember Julie Mayfield
- BC Finance:** Jennifer Durrett
- Advertising Agency:** No one was present from the Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Reiff
- CVB Staff Absent:** None
- Guests:** John Ellis, BCTDA Finance Committee
Kit Cramer, Asheville Area Chamber of Commerce
Demp Bradford, Madison Davis; Asheville Buncombe Regional Sports Commission
Jane Anderson, Asheville Independent Restaurant Association
Meghan Rogers, Asheville Downtown Association
Jason Sandford, Ashvegas
Dillon Davis, Asheville Citizen-Times
Matilda Bliss, ASURJ-Asheville Stands Up for Racial Justice
Jackson Tierney, Exeter/Homestay Permit Holder

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order at 9:06 a.m.
- Minutes from the May 2, 2018 BCTDA regular meeting were approved with an 8-0 vote.
- The April 2018 financial reports were reviewed and approved with an 8-0 vote.
- In her President's Report, Ms. Brown said changes are needed to the Visitor Index and recommendations from staff will be forthcoming.

- Changes to the discretionary compensation plan were reviewed and approved with a 7-1 vote.
- Chairman Muth appointed Ms. Ashburn and Mr. Karvir to serve as the BCTDA's nominating committee to recommend a slate of officers for FY 2018-19 at the June meeting.
- In his BCTDA Finance Committee report, Mr. Craig said the committee has completed a comprehensive review of the expenditures included in the proposed FY 2018-19 budget that is being presented.
- Ms. Brown presented the proposed BCTDA FY 2018-19 Operating, TPDF Admin, and Earned Income budgets and answered all related questions. A motion to accept the proposed budget as presented, and announce the public hearing, was made and passed with an 8-0 vote.
- Ms. Brown provided an update on the DestinationNEXT process.
- An update from Buncombe County Commissioner Joe Belcher was heard.
- Under Miscellaneous Business, Ms. Cramer shared Chamber-related initiatives, and Mr. Bradford gave an overview of the success of the Haute Route international cycling event that recently took place in Asheville.
- Matilda Bliss shared remarks under Comments from the General Public.
- The joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, adjourned at 10:49 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Muth called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:06 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. McKibbin made a motion to approve the May 2, 2018 regular meeting minutes as presented. Mr. Craig seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The minutes are on file with the Explore Asheville Convention & Visitors Bureau (CVB).

Financial Reports

April 2018 Financial Reports

Ms. Durrett reviewed the April 2018 financial reports. Occupancy tax revenue received in April for March sales totaled \$1,075,580. April expenditures totaled \$554,832. YTD revenue exceeded expenditures (including appropriated fund balance) by \$5,867,103 and includes ten months of expenditures and nine months of revenue. April expenditures for Administration: \$17,365; Professional Services/Contract: (\$24,656); Staff & Facilities: \$5,892; General Tourism (excludes media buys): \$260,598; Net Media: \$215,301; Motorcoach Sales: \$546; Meetings and Conventions: \$16,306; Convention Services: \$44; Marketing/Public Affairs: \$834; Marketing/Public Relations: \$35,831; International: \$0; Public Affairs: \$271; Event Grants Program: \$26,500.

There is currently \$4,027,715 in undedicated funds in the Tourism Product Development Fund (TPDF).

Ms. Durrett answered all questions related to the financial statements and said she will add in a lodging sales report in future months. A brief discussion took place related to property reporting, auditing, and what is included in the various accommodations types and how there is overlap in some categories. When the discussion ended, board members indicated that they agree with staff's recommendation that the vacation rentals and short-term rentals accommodations categories can be combined on sales reports beginning in FY 2018-19.

Mr. Froeba made a motion to approve the April 2018 financial reports as presented. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The financial reports are on file with the Explore Asheville Convention & Visitors Bureau.

President's Report

CVB Staff Recap

Ms. Brown said she will not be reviewing the CVB Staff Recap this month, however, encouraged board members to browse through it when it is provided each month.

Visitor Index

Ms. Brown asked the board to turn to the Visitor Index that was provided and gave a brief overview of the metrics that are currently included in this monthly report. She said changes regularly occur in the industry, and it is a good practice to review the relevance of metrics tracked by the CVB and make changes when appropriate. Ms. Brown said staff has recently begun this process and will recommend changes to the Visitor Index at an upcoming meeting.

Monthly Staff Recaps, Visitor Indexes, Quick Lists, BCTDA financial statements, meeting agendas, and meeting minutes are posted on ExploreAshevilleCVB.com.

Incentive Policy Amendment

Ms. Brown presented a draft of recommended changes to the CVB's discretionary compensation plan and explained that they were reviewed and approved by the BCTDA's finance committee following a compensation analysis.

Mr. Celwyn voiced his opposition of having a compensation structure that includes incentives, preferring instead that base salaries be increased if are below local and/or industry averages. A brief discussion related to the policy changes took place with several board members sharing their thoughts on the benefits associated with using incentives to motivate employees.

When the discussion ended, Chairman Muth thanked everyone for their input and called for action. Mr. Froeba made a motion to approve the changes to the discretionary compensation plan as presented. Mr. McKibbon seconded the motion. There was no discussion and when a vote was taken, the motion carried 7-1, with Mr. Celwyn being opposed.

The revised policy is on file with the Explore Asheville Convention & Visitors Bureau.

BCTDA Nominating Committee

Chairman Muth asked for volunteers to serve on the BCTDA's nominating committee to present a slate of officers for FY 2018-19. Ms. Ashburn and Mr. Karvir offered to serve in this capacity.

Chairman Muth thanked Ms. Ashburn and Mr. Karvir and appointed them to comprise the BCTDA's nominating committee and make recommendations to the board at the June 27 BCTDA meeting.

Proposed BCTDA FY 2018-19 Budget

BCTDA Finance Committee Report

Mr. Craig said the BCTDA's finance committee met on May 14 to review the BCTDA's proposed FY 2018-19 budget. He said committee members reviewed the budget in detail along with a narrative explanation provided by Ms. Brown. Mr. Craig said the budget being presented today is in alignment with BCTDA's direction to staff given at the annual planning retreat and in previous meetings and invited Ms. Brown to present it to the board for consideration.

BCTDA Proposed FY 2018-19 Proposed Budget Presentation

Ms. Brown asked the BCTDA to turn to the budget documentation provided in the board books and in advance of the meeting. She shared a PowerPoint presentation highlighting the components of the proposed FY 2018-19 budget, including the revenue estimate, the established business objective, contingency requirements, and Fund Balance totals. Ms. Brown said the proposed operating budget totals \$17,445,461, and the Tourism Product Development Fund (TPDF) will yield approximately \$5.8 million in revenue.

Next, Ms. Brown reviewed slides related to major initiatives that are included in the budget. She then shared the TPDF Admin budget and Events Grant Program budget from earned revenue. During and after the presentation, Ms. Brown and Ms. Durrett answered all related questions.

When the presentation ended, Mr. Craig made a motion that the board accept the proposed BCTDA FY 2018-19 Operating Budget in the amount of \$17,445,461, the proposed TPDF Admin Budget in the amount of \$331,950, and the proposed Earned Income Budget in the amount of \$250,000, as presented today for final approval at the June 27, 2018 meeting, following the public budget hearing scheduled at 9:00 a.m. Mr. Celwyn seconded the motion. Discussion included Mr. Craig stating that the budgets will be available for public review between now and June 27 by contacting the Explore Asheville CVB. Ms. Brown said a public meeting notice ran in the Asheville Citizen-Times on Sunday, May 27, and the ordinance is posted on ExploreAshevilleCVB.com. A vote was taken and with all in favor, the motion carried 8-0.

The PowerPoint presentation, budget, and all related documents are on file with the Explore Asheville Convention & Visitors Bureau.

DestinationNEXT Wrap-Up

Ms. Brown shared a PowerPoint presentation summarizing the DestinationNEXT project process and results received so far to date. She then reviewed the input received at the breakout session that took place during the National Tourism Week Summit, at which Paul Ouimet presented overarching destination strategies and led a discussion to receive suggested initiatives for Asheville. During that session, participants were asked to rank the initiatives in order of importance and the level of the BCTDA's involvement.

Chairman Muth thanked Ms. Brown for the presentation and board members for their participation.

The PowerPoint is on file with the Explore Asheville Convention & Visitors Bureau.

Asheville City Council Update

Councilwoman Mayfield was absent from this meeting, therefore, an Asheville City Council update was not provided.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including the budget cycle, funding requests, increased transparency, and progress on the Enka ballfields.

Chairman Muth thanked Commissioner Belcher for his report.

Miscellaneous Business

Ms. Cramer reported on initiatives the Asheville Area Chamber of Commerce is involved in, including I-26 connector planning, community/police safety, and a new NC Early Childhood Foundation (NCECF) initiative kicking off at the Chamber on June 21.

Mr. Bradford thanked the BCTDA for its continued support of the Asheville Buncombe Regional Sports Commission, especially recently as it related to successfully bringing the international Haute Route cycling event to Asheville. Mr. Bradford also extended his gratitude to the Explore Asheville team. He said it was a very successful event and shared videos produced by the Haute Route organizers, Pav Bryan and [WLOS](#).

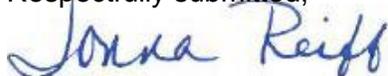
Comments from the General Public

Matilda Bliss thanked Mr. Celwyn for his comments and encouraged the BCTDA to focus its attention on human issues, such as homelessness and opioid addiction.

Adjournment

Chairman Muth adjourned the meeting at 10:49 a.m. The BCTDA will next meet on Wednesday, June 27, 2018, at 9:00 a.m., in the Boardroom of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager