

Explore ASHEVILLE

Buncombe County Tourism Development Authority

**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, October 30, 2019

- Present (Voting):** Gary Froeba, Chair; Himanshu Karvir, Vice Chair;
Andrew Celwyn, Chip Craig, John McKibbon, Tom Ruff
- Absent (Voting):** Leah Ashburn, John Lockett, James Poole
- Present (Ex-Officio):** Asheville City Councilwoman Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- CVB Staff:** Stephanie Brown, Marla Tambellini, Dianna Pierce, Glenn Cox,
Jennifer Kass-Green, Kathi Petersen, Jonna Sampson,
Hannah Dosa, Cat Kessler, Sarah Kilgore, Dodie Stephens,
Elizabeth White
- BC Finance:** Don Warn, Buncombe County/BCTDA Fiscal Agent
- Advertising Agency:** Ashley Keetle, Cindy Stein; 360i
- Guests:** Sabrina Rockoff, McGuire, Wood & Bissette/BCTDA Legal
Counsel
Jim Muth, BCTDA Immediate Past Chair & Beaufort House Inn
Kit Cramer, Samantha Cole; Asheville Area Chamber of
Commerce
Katie Button, Chow Chow and Katie Button Restaurants
Meherwan Irani, Chow Chow and Chai Pani
Jane Anderson, Asheville Independent Restaurant Association
Sharon Tabor, Black Mountain/Swannanoa Chamber of
Commerce
Jackson Tierney, Bob Michel; Asheville Homestay Network
Wendy Dean, Realty Consulting Hub/Homestay Host
Karen MacNeil, Citizen
Jason Sandford, Ashvegas
Brooke Randle, Mountain Xpress

Executive Summary of Meeting Minutes

- Chairman Froeba called the joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, to order at 9:03 a.m.
- Minutes from the September 25, 2019 BCTDA regular monthly meeting were approved with a 6-0 vote.

- Katie Button and Meherwan Irani shared a PowerPoint presentation providing an overview of the inaugural Chow Chow, an Asheville Culinary Event. In a 5-1 vote, the board approved supporting Chow Chow's second year event in the amount of \$100,000 from Earned Revenue.
- The September 2019 financial statements were reviewed and approved with a 6-0 vote.
- In her President's Report, Ms. Brown briefly reviewed recent Explore Asheville CVB and industry metrics and events and answered all related questions. She also reported on the Tourism Management Forum.
- With a 6-0 vote, the board approved the 2020 Festivals and Cultural Events review committee's recommendation to fund the 21 local grant awards totaling \$86,500, and to amend the budget by allocating an additional \$1,500 from Earned Revenue.
- Ashley Keetle and Cindy Stein, with 360i, shared a PowerPoint presentation highlighting advertising performance results from the spring campaign, and a FY 2019-20 campaign strategy update.
- Brief updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- Under Miscellaneous Business, Chairman Froeba thanked Kit Cramer for the recent op-ed she wrote that appeared in the Asheville Citizen-Times.
- The joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, adjourned at 11:00 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Froeba called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:03 a.m. and welcomed everyone.

Approval of Meeting Minutes

Mr. Ruff made a motion to approve the September 25, 2019 regular meeting minutes as presented. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

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

Chow Chow Culinary Festival Update & Sponsorship Renewal

Katie Button and Meherwan Irani shared a PowerPoint presentation providing an overview of the inaugural Chow Chow culinary festival event, which took place September 12-15, 2019, across Asheville and Buncombe County. The presentation started with a video recap of the event and continued with an overview of the nonprofit's mission and several "We Believe" statements and descriptions of how they have been carried out. Ms. Button and Mr. Irani reviewed the impact of Chow Chow from several perspectives, including economic, local maker participation, talent/celebrities, culture, jobs, room nights, national media coverage, social media reach, environmental, and collaboration. They also noted significant charitable contributions were given to Haywood Street Congregation, Pubcorps, and MANNA Food Bank.

Ms. Button and Mr. Irani concluded their presentation by stating organizers are in full swing planning for next year's event, scheduled September 10-13, 2020. They thanked

the BCTDA for supporting the culinary festival in its first year, invited feedback, and asked the board to consider repeating the sponsorship for next year's event.

BCTDA board members and Ms. Brown commended Ms. Button, Mr. Irani, the Chow Chow board, and makers and volunteers, for their efforts in developing and executing such a successful signature event that showcased Asheville's extensive culinary scene.

A discussion took place centering on Ms. Button's request to renew the sponsorship. Ms. Brown said that last year, the BCTDA was a lead sponsor and its \$75,000 commitment helped get the event off the ground and formally organized. Mr. Karvir asked if there was capacity to increase that amount for Chow Chow in its second year. Ms. Brown responded that \$150,000 has been identified as being available and unbudgeted in Earned Revenue. She indicated that the amount that was available had previously been unclear due to the timing of the year-end financial statements and the way funds are represented on the monthly financial statements. Ms. Brown said the BCTDA could approve using those funds for a Chow Chow sponsorship, as they are not subject to occupancy tax legislative mandates.

Mr. Celwyn said since he is learning about these available funds at the same time that a proposal to spend them is being presented, he would not be comfortable voting in favor of the sponsorship until he sees an accounting of the Earned Revenue Fund. He indicated he was very impressed by and supportive of Chow Chow, however, would have preferred to have had advance notice of this funding request.

Mr. Warn confirmed that the Earned Revenue funds were available as indicated on the Balance Sheet in the financial statements. A discussion continued centering on Chow Chow's overall budget, the number of room nights generated, first year challenges, the audit process, and a suggestion being made to consider support for Chow Chow in future years in the normal events grants application process. Some board members agreed that the coincidental timing of this funding request and the announcement of available funds was not ideal. Ms. Brown responded that the event happened at the same time the FY 2018-19 books were being closed and audited. The conversation concluded with Mr. McKibbon suggesting that in its third year, Chow Chow organizers should not need as much support from the BCTDA. Chairman Froeba asked Mr. McKibbon to repeat the motion he had started to make at the beginning of the discussion.

Mr. McKibbon moved that the BCTDA sponsor the Chow Chow festival in its second year, in the amount of \$100,000, from the Earned Revenue Fund balance. Mr. Karvir seconded the motion and there was no further discussion. A vote was taken and with all in favor except for Mr. Celwyn, the motion carried 5-1.

The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau (CVB).

Financial Reports

September 2019 Financial Statements

Mr. Warn reviewed the September 2019 financial statements. There were no questions. Mr. Craig made a motion to approve the September 2019 financial statements as presented. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

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

Proposed BCTDA Financial Management Policy Revision

Ms. Brown asked the board to turn to the proposed revised BCTDA Financial Management Policy that was provided in the board books and in advance of the meeting. She said the need to provide more clarity in the different fund balance categories on the monthly Balance Sheet has been discussed in past meetings. Ms. Brown reviewed the recommended changes and noted that, if approved, the revised policy would give the board the authority to transfer surpluses left over from the previous fiscal year into the Assigned for Management Contingencies Fund Balance line (to be renamed *Designated Contingency*), separating them from current budget revenues. She added this would provide a better understanding of funds available for one-time project and unbudgeted requests such as website redesign, new creative, and market shifts.

A discussion took place with Ms. Brown and Mr. Warn answering questions related to the proposed policy and the format of the monthly financial statements. In response to suggestions made to include various items on the financial statements on different pages, Mr. Warn said they are currently set up according to governmental accounting standards and mirror the audit, however, can be changed to provide more clarity. Mr. Warn said he will work with Ms. Brown and Explore Asheville's Director of Finance, Jennifer Kass-Green, to make the changes.

When the discussion ended, Mr. McKibbin made a motion to approve the revised BCTDA Financial Management Policy as presented. Mr. Craig seconded the motion. There was no discussion and with all in favor, the motion carried 6-0. The revised policy reads as follows:

BCTDA FINANCIAL MANAGEMENT POLICY

(Adopted April 24, 2013; Revised November 19, 2014, May 25, 2016, October 30, 2019)

The Buncombe County Tourism Development Authority adopted the following Financial Management Policy on April 24, 2013, revised November 19, 2014, May 25, 2016 and October 30, 2019, to direct the allocation of surplus funds.

A fund balance equal to 8% of tax receipts identified for operations (4.5% collections) will be maintained to satisfy state guidelines for county government reserves. This fund will be identified as "State Required Contingency."

A designated contingency of at least 15% of operating expenses will be maintained for crisis management and other purposes approved by the board. This fund will be identified as "Designated Contingency."

Additional funds may be held in an undesignated fund for non-recurring investments as needed and may be appropriated by the board. This fund will be identified as "Undesignated." This fund also acts as the operating reserve, holding unspent budgeted earnings and is available for cash flow management.

Hill House Penalty Waiver Request

Ms. Brown said a penalty waiver request was received from David Smith, owner of Hill House Bed & Breakfast, in the amount of \$300.18. She asked the board to turn to the documentation provided in the board books and in advance of the meeting. Ms. Brown indicated the BCTDA previously gave her authority to approve waiver requests if they met the criteria of being under \$500, was a property's first late offense, and was not due to mail-related issues. Ms. Brown said the request letter states Mr. Smith being in Brussels for two months and unable to access Buncombe County's occupancy tax payment portal from outside of the country was a contributing factor in the payment being late. She noted that in the first of a two-step process, she has approved the penalty waiver and the request has been passed onto the Buncombe County Commissioners for further and final consideration, which will take place at their November 5 meeting. Ms. Brown answered all related questions and said she will report back on the outcome at next month's meeting.

President's Report

Destination Dashboard, Quick List & CVB Staff Recap

Ms. Brown briefly reviewed select industry performance metrics from the September Dashboard and answered all related questions. She provided insight on the positive and negative trends in the numbers and said staff meets to review and discuss the metrics regularly. Ms. Brown noted that Explore Asheville's Director of Web & Analytics, Elizabeth White, is working to create a document that will track variables that affect performance such as events, weather, rock slides, etc., which will prove to be a valuable resource to analyze and compare data moving forward. Ms. Brown indicated she will share the report once it has been compiled.

The CVB Staff Recap, Destination Dashboard, Quick List, financial statements, board meeting minutes, agendas, and relevant research reports can be found on ExploreAshevilleCVB.com.

Tourism Management Forum

Ms. Brown said that the October 23 Tourism Management Forum, a public presentation of the Tourism Management & Investment Plan's (TMIP) Phase 1 findings, was a success with 200 people in attendance. She reviewed what was shared and extended her gratitude to the TMIP team, speakers and panelists for their efforts.

The reports and PowerPoint from the Tourism Management Forum, along with other information about TMIP, can be found at AshevilleCVB.com/TMIP.

December BCTDA Meeting

Ms. Brown said the December board meeting may not be needed and the BCTDA has the authority to approve the cancellation of monthly meetings. She indicated this agenda item will be deferred to the November 20 meeting when it will be presented for formal consideration.

Chairman Froeba thanked Ms. Brown for her report.

Events Grant Programs Funding Recommendations

Mr. Craig said it was his pleasure to chair the Festivals & Cultural Events Grant Program committee again this year, which meets annually to review applications received to provide grants in support of local festivals and events, funded out of Earned Revenue. He said serving with him on the committee were: Ms. Brown, Jon Fillman, Amy Jackson, and Adrian Vassallo, with Mr. Cox providing administrative support. Mr. Craig asked the board to turn to the table of recommended awards that was provided in the board books, which will be paid out in calendar year 2020. He indicated \$85,000 was budgeted for this program in FY 2019-20, and the recommended grants total \$86,500, indicating a budget amendment, in the amount of \$1,500, will be needed to fund the full event slate.

Mr. Craig briefly reviewed the process and criteria followed leading up to today's recommendations and said the primary purposes of the fund are:

- To support and preserve the cultural identity within Buncombe County;
- To stimulate the creation of new or expansion of existing tourism events;
- To help festivals and cultural events become sustainable and financially viable.

Mr. Craig said the committee recommends the following grants be approved for funding:

2020 Festivals & Cultural Events Applications		
Applicant	Event	Recommended Grant
Asheville Mardi Gras, Inc.	Mardi Gras Parade & Queen's Ball	\$ 1,000.00
Aurora Studio & Gallery, Inc.	Celebrate Zelda	\$ 500.00
Leicester Artists (Leicester Com. Cntr)	Come to Leicester Artists Studio Tour	\$ 1,000.00
Montford Neighborhood Association	Holiday Tour of Homes	\$ 1,000.00
Festivals and Cultural Events Total:		\$ 3,500.00
2020 Major Events Applications		
Applicant	Event	Recommended Grant
Asheville Independent Restaurant Assoc.	Taste of Asheville	\$ 5,000.00
Appalachian Sustainable Ag Project	Farm Tour	\$ 5,000.00
Asheville Celtic Group	Asheville Celtic Festival	\$ 1,000.00
Asheville Downtown Association	Holiday Parade	\$ 5,000.00
Asheville Downtown Association	Independence Day	\$ 5,000.00
Asheville Downtown Association	Downtown After 5	\$ 5,000.00
Asheville Fringe Society	Asheville Fringe Arts Festival	\$ 5,000.00
Asheville Makers, Inc.	Asheville Mini Maker Faire	\$ 1,000.00
Black Mountain Chamber	Sourwood Festival	\$ 9,000.00
Black Mountain College + Art Center	{Re}HAPPENING & ReVIEWING BMC	\$ 3,000.00
Folk Heritage Committee	Shindig on the Green, Mountain Dance & Folk Festival	\$ 8,000.00
Green Built Alliance	CiderFest NC	\$ 3,000.00
Hola Community Arts	Hola Asheville Celebration	\$ 7,000.00
LEAF Community Arts	LEAF Downtown	\$ 5,000.00
NC Arboretum Society	Winter Lights	\$ 10,000.00
Southern Highland Craft Guild	Southern Highland Craft Fair	\$ 5,000.00
Utopian Seed Project (Roots Foundation)	WNC Garlic Fest	\$ 1,000.00
Major Events Total:		\$ 83,000.00
Total of Grants Awarded including a \$1,500 Budget Amendment:		\$ 86,500.00

Mr. Craig and Ms. Brown answered all questions related to the recommended grants.

Mr. Craig moved that the Buncombe County Tourism Development Authority approve the 2020 Festivals and Cultural Events review committee's recommendation to fund the twenty-one grant awards in the table as presented, totaling \$86,500, and to amend the budget by allocating an additional \$1,500 from the Earned Revenue Fund balance. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

The Explore Asheville CVB will inform the recipients of the BCTDA's approval and payment will be made upon the successful completion of each event.

Mr. Craig thanked Mr. Cox for his work on managing the review process.

Campaign Update

Ms. Tambellini introduced Ashley Keetle and Cindy Stein, with 360i, who shared a PowerPoint presentation highlighting advertising performance results from the spring campaign and a FY 2019-20 campaign strategy update. During the presentation, the current commercials were shared and all related questions were answered, including how next year's presidential election will affect media placement strategies.

Ms. Keetle and Ms. Stein concluded the presentation by thanking everyone for their time and attention and briefly reviewed upcoming advertising strategies and initiatives.

Chairman Froeba thanked Ms. Keetle and Ms. Stein for the presentation.

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

Asheville City Council Update

Councilwoman Mayfield briefly reported on recent city-related business, including the hotel moratorium and the ongoing City Council election districts conversation.

On behalf of Demp Bradford, Councilwoman Mayfield invited everyone to attend the Lewis Isaac Aston Park Court Dedication on November 5, at 6:00 p.m., at the Aston Park Tennis Center. This ceremony will recognize and celebrate the life of long-time public servant and avid tennis player, Lewis Isaac.

Chairman Froeba thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Buncombe County Commissioner Joe Belcher reported on recent county-related business, including the strategic planning process and scheduled public input sessions, activities related to the School Capital Fund, the start of the budget planning process, and changes to the county's nonprofit funding policy. He answered all related questions.

Chairman Froeba thanked Commissioner Belcher for his report.

Miscellaneous Business

Chairman Froeba thanked Kit Cramer for the op-ed she wrote that ran in the October 17 Asheville Citizen-Times entitled, "[Asheville is having growth pains. But tourism isn't the enemy.](#)"


Comments from the General Public

There were no comments from the general public made at this meeting.

Adjournment

Mr. Craig moved to adjourn the meeting and Mr. Celwyn seconded the motion. A vote was taken and with all in favor, the motion carried 6-0 and the meeting adjourned at 11:00 a.m. The BCTDA will next meet on Wednesday, November 20, 2019, at 9:00 a.m., in the Board Room of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Sampson, Executive Operations Manager