

WELCOME!

The May 26, 2021 virtual meeting of the
Buncombe County Tourism Development
Authority will begin shortly.

Explore **ASHEVILLE**

CALL TO ORDER

Chairman Himanshu Karvir

Call to Order the Virtual Joint Meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation



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

Virtual Board Meeting

Wednesday, May 26, 2021 | 9:00 a.m.

Via Zoom Webinar due to COVID-19 State of Emergency – [Attending Public – Register Here](#)

Agenda

9:00 a.m.	Call to Order the Joint Virtual Meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation	Himanshu Karvir
9:05 a.m.	Approval of 04.28.21 Meeting Minutes	Himanshu Karvir
9:10 a.m.	April 2021 Financial Reports	Don Wam
9:15 a.m.	President & CEO's Report a. Lodging Market Overview b. Other Updates	Vic Isley
9:35 a.m.	Proposed BCTDA FY 22 Budget a. Finance Committee Report b. BCTDA Proposed FY 22 Budget Presentation c. BCTDA Financial Management Policy d. Proposed BCTDA FY 22 Budget Ordinance	John Luckett Vic Isley, Jennifer Kass-Green Vic Isley Himanshu Karvir
10:05 a.m.	Public Hearing on Proposed BCTDA FY 22 Budget	Himanshu Karvir
<i>Pursuant to N.C. Gen. Stat 166A-19.24 (e), public comment on the budget will be received via email to Reply@ExploreAsheville.com through Tuesday, June 29, 2021, at 4:00 p.m. The budget ordinance is posted on AshevilleCVB.com.</i>		
10:10 a.m.	Asheville City Council Update	Councilmember Sandra Kilgore
10:15 a.m.	Buncombe County Commission Update	Commissioner Robert Pressley
10:20 a.m.	Miscellaneous Business	Himanshu Karvir
10:25 a.m.	Comments from the General Public	Himanshu Karvir
10:35 a.m.	Adjournment	Himanshu Karvir

The next joint BCTDA meeting is on **Wednesday, June 30, 2021**, at 9:00 a.m. Please contact Jonna Sampson at jsampson@ExploreAsheville.com or 828.258.6111 with any questions.

BCTDA Mission Statement

To be a leader in the economic development of Buncombe County by attracting and servicing visitors, generating income, jobs and tax revenues which make the community a better place to live and visit.

MEETING AGENDA & DOCS

Chairman Himanshu Karvir

The agenda and meeting documents are available online.

Go to:

>AshevilleCVB.com

>About the Buncombe County TDA

>Find out about upcoming BCTDA meetings

Explore Asheville
Convention & Visitors Bureau

About Buncombe County TDA Visitor Information Partner Login

What We Do ▾ Business Toolkit ▾ Research & Reports News & Events ▾ Community Programs ▾ COVID-19 Resources ▾ Contact Us ▾

About the Buncombe County TDA

What is the Buncombe County Tourism Development Authority?

The Buncombe County Tourism Development Authority is the public authority created in 1983 by an act of the North Carolina Legislature to oversee the collection and investment of **occupancy taxes** paid by travelers who stay overnight in commercial lodging establishments, such as hotels and motels, bed and breakfast operations, and vacation rentals such as Airbnb and VRBOs. The members of the Buncombe County TDA Board have a fiduciary responsibility to ensure that the tax dollars are spent in accordance with the specific legislation governing their use.

- Meet the members of the Buncombe County TDA Board >>
- Find out about upcoming BCTDA meetings >>
- Review past BCTDA meeting minutes & documents >>

What does the Buncombe County TDA do?

The BCTDA oversees the work of the Explore Asheville Convention & Visitors Bureau, which develops and carries out advertising, marketing, public relations, and group sales plans to inspire leisure and business travelers to visit here. In 2019, these efforts attracted 4.2 million overnight visitors, providing a base of customers that spent \$2.2 billion at local businesses and generated a total \$3.3 billion economic impact for the community.

Quick Links

- » Share Your Feedback
- » Contact Us
- » Extranet Login
- » Request an Account

Upcoming Events

One-on-One Wednesdays with Explore Asheville
Wednesday, April 28

Buncombe County TDA Board Meeting – April 2021
Wednesday, April 28, 9:00 am - 10:25 am

One-on-One Wednesdays with Explore Asheville

BCTDA ROLL CALL

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Luckett
- John McKibbon
- Kathleen Mosher
- James Poole
- Asheville City Councilmember Sandra Kilgore
- Buncombe County Commissioner Robert Pressley
- Chairman Himanshu Karvir

MINUTES

Chairman Himanshu Karvir

Motion for Consideration

Motion to approve the
minutes from the

April 28, 2021

Regular BCTDA Meeting

Explore **ASHEVILLE**

Buncombe County Tourism Development Authority

Buncombe County Tourism Development Authority
A Joint Meeting of the Public Authority and Nonprofit Corporation
Via Zoom Webinar due to the COVID-19 Pandemic/State of Emergency

Virtual Board Meeting Minutes Wednesday, April 28, 2021

Present (Voting):	Himanshu Karvir, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Brenda Durden, John Luckett, John McKibbin, Kathleen Mosher, James Poole
Absent (Voting):	None
Present (Ex-Officio):	Asheville City Councilmember Sandra Kilgore
Absent (Ex-Officio):	Buncombe County Commissioner Robert Pressley
CVB Staff:	Victoria Isley, Maria Tambellini, Pat Kappes, Jonna Sampson, Daniel Bradley
BC Finance:	Don Warn, Buncombe County/BCTDA Fiscal Agent
Legal Counsel:	Sabrina Rockoff, McGuire, Wood & Bissette
Online Attendees:	Carli Adams, Glenn Cox, Kathryn Dewey, Hannah Dosa, Marshall Hilliard, Jennifer Kass-Green, Sarah Lowery, Kathi Petersen, Tina Porter, Glenn Ramey, Charlie Reed, Dodie Stephens, Jason Tarr, Explore Asheville Staff Robert Foster, Virtelle Hospitality & TPDF Committee Chair Kelsey Ann Bassell, Ashley Keetle, 360i Kit Cramer, Asheville Area Chamber of Commerce Jane Anderson, Asheville Independent Restaurant Association Madison Davis, Andrew Lawrence; Asheville-Buncombe Regional Sports Commission Robert Michel, Asheville Homestay Network Tina Kinsey, Asheville Regional Airport Sharon Tabor, Black Mountain-Swannanoa Chamber of Commerce Chris Corl, Harrah's Cherokee Center Asheville Rae Geoffrey, Wortham Center for the Performing Arts Pam Myers, Asheville Art Museum John Ellis, Jim Muth; Past BCTDA Board Members Rick Bell, Engadine Inn & Cabins/Asheville B&B Association Timothy Love, Buncombe County Jason Sanford, Ashvegas WLOS TV Sunshine Request

Additional tourism industry partners and members of the public registered in advance and viewed the online meeting.

MINUTES - ROLL CALL VOTE

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Luckett
- John McKibbon
- Kathleen Mosher
- James Poole
- Chairman Himanshu Karvir

FINANCIAL REPORTS

Buncombe County Finance Director

Don Warn

Presentation of the April 2021 Financial Reports

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Monthly Statement of Revenues, Expenditures, and Changes in Fund Balance

Operating Fund, Budget and Actual

April 30, 2021

	Current Budget	Current Month Actual	Year to Date Actual	Budget Remaining	(%) Budget Used	Prior Year Year to Date Actual	(%) Change From
Revenues:							
Occupancy tax, net	\$ 11,135,293	\$ 1,559,694	\$ 13,668,391	\$ (2,533,098)	122.7%	\$ 13,907,742	-1.7%
Investment income	-	106	220	(220)	-	547	-59.7%
Other income	-	2,302	40,477	(40,477)	-	8,667	367.0%
Earned revenue	-	15,624	149,098	(149,098)	-	129,832	14.8%
Total revenues	11,135,293	1,577,726	13,858,186	(2,722,893)	124.5%	14,046,788	-1.3%
Expenditures:							
Salaries and Benefits	2,460,163	173,011	1,711,706	748,457	69.6%	1,799,192	-4.9%
Sales	881,277	78,973	440,181	441,096	49.9%	624,287	-29.5%
Marketing	11,390,551	368,511	3,028,034	8,362,517	26.6%	7,700,641	-60.7%
Community Engagement	80,519	9,234	33,678	46,841	41.8%	16,431	105.0%
Administration & Facilities	755,684	58,327	487,276	268,408	64.5%	390,126	24.9%
Events/Festivals/Sponsorships	121,235	-	66,287	54,948	54.7%	295,348	-77.6%
Total expenditures	15,689,429	688,056	5,767,160	9,922,269	36.8%	10,826,026	-46.7%
Revenues over (under) expenditures	(4,554,136)	889,670	8,091,025			\$ 3,220,762	151.2%
Other Financing Sources:							
Carried over earned income	121,235	-	-				
Total other financing sources	121,235	-	-				
Net change in fund balance	\$ (4,432,901)	\$ 889,670	8,091,025				
Fund balance, beginning of year			12,465,092				
Fund balance, end of month			\$ 20,556,117				

As directed by State statute, 75% of the occupancy tax revenue is invested in tourism promotion (reflected in the operations budget presented here) and 25% is dedicated to the Tourism Product Development Fund (TPDF) to be used for tourism-related community grants. The TPDF is budgeted by project ordinance due to the nature of the fund. Revenue dedicated to TPDF is projected at \$3,711,764 for FY21.

PG 2

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Monthly Revenue Summary

April 30, 2021

Month of room sales:	Operating Fund						Product Development Fund					
	By Month			Cumulative Year-to-Date			By Month			Cumulative Year-to-Date		
	Current	Prior	(%)	Current	Prior	(%)	Current	Prior	(%)	Current	Prior	(%)
	Year	Year	(%)	Year	Year	Change	Year	Year	Change	Year	Year	Change
July	\$ 1,390,343	\$ 1,946,888	-29%	\$ 1,390,343	\$ 1,946,888	-29%	\$ 463,448	\$ 648,963	-29%	\$ 463,448	\$ 648,963	-29%
August	1,576,516	1,803,567	-13%	2,966,859	3,750,455	-21%	525,505	\$ 801,189	-13%	988,953	1,250,152	-21%
September	1,598,161	1,736,622	-8%	4,565,021	5,487,077	-17%	532,720	\$ 578,874	-8%	1,521,674	1,829,026	-17%
October	2,329,272	2,206,323	6%	6,894,292	7,693,400	-10%	776,424	\$ 735,441	6%	2,298,097	2,564,467	-10%
November	1,557,487	1,771,151	-12%	8,451,779	9,464,551	-11%	519,162	\$ 590,384	-12%	2,817,260	3,154,850	-11%
December	1,517,197	1,780,020	-15%	9,968,976	11,244,571	-11%	505,732	\$ 593,340	-15%	3,322,992	3,748,190	-11%
January	1,095,262	1,115,364	-2%	11,064,238	12,359,935	-10%	365,087	\$ 371,788	-2%	3,688,079	4,119,978	-10%
February	1,044,459	1,043,672	0%	12,108,697	13,403,607	-10%	348,153	\$ 347,891	0%	4,036,232	4,467,869	-10%
March	1,559,694	504,135	209%	13,668,391	13,907,742	-2%	519,898	\$ 168,045	209%	4,556,130	4,635,914	-2%
April	-	117,789	-	-	14,025,531	-	-	\$ 39,263	-	-	4,675,177	-
May	-	383,262	-	-	14,408,792	-	-	\$ 127,754	-	-	4,802,931	-
June	-	943,662	-	-	15,352,455	-	-	\$ 314,554	-	-	5,117,485	-
Total revenues	\$13,668,391	\$ 15,352,455		\$ 13,668,391	\$ 15,352,455		\$4,556,130	\$5,117,485		\$4,556,130	\$5,117,485	

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Monthly Product Development Fund Summary

April 30, 2021

	Budget	Life to Date Actuals	Remaining Budget	(%) Budget Used
Revenues:				
Occupancy Tax	\$ 27,248,000	\$ 21,476,193	\$ 5,771,807	78.8%
Investment Income	-	1,230,680	(1,230,680)	0.0%
Total revenues	27,248,000	22,706,873	4,541,127	83.3%
Expenditures:				
Product development fund projects:				
2012 Montford Park Players (Welcome Facility & Amphitheatre Renovations)	125,000	-	125,000	-
2014 City of Asheville (Riverfront Destination Development 1.0)	7,100,000	3,300,000	3,800,000	46.5%
2016 Asheville Community Theatre (Theatre Expansion & Renovation)	1,000,000	430,000	570,000	43.0%
2017 Buncombe County Government (Woodfin Greenway & Blueway)	2,250,000	-	2,250,000	-
2018 Buncombe County Government (Enka Recreation Destination)	6,000,000	-	6,000,000	-
2018 Eagle Market Streets Dev. Corp. (YMI Cultural Center Improvements)	800,000	42,863	757,137	5.4%
2018 River Front Development Group (African-American Heritage Museum at Stephens-L)	100,000	-	100,000	-
2021 African American Heritage Trail	-	2,958	(2,958)	0.0%
2021 Wortham Center for the Performing Arts (Air Ionization System)	45,000	-	45,000	-
Total product development projects	17,420,000	3,775,821	13,644,179	21.7%
Product development fund administration	518,000	383,728	134,272	74.1%
Total product development fund	\$ 17,938,000	\$ 4,159,549	\$ 13,778,451	23.2%
Product Development Funds Available for Future Grants				
Total Net Assets		\$ 18,050,670		
Less: Liabilities/Outstanding Grants		(13,644,179)		
Less: Unspent Admin Budget (Current Year)		(134,272)		
Current Product Development Amount Available		\$ 4,272,218		

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

*Monthly Balance Sheet**Governmental Funds*

April 30, 2021

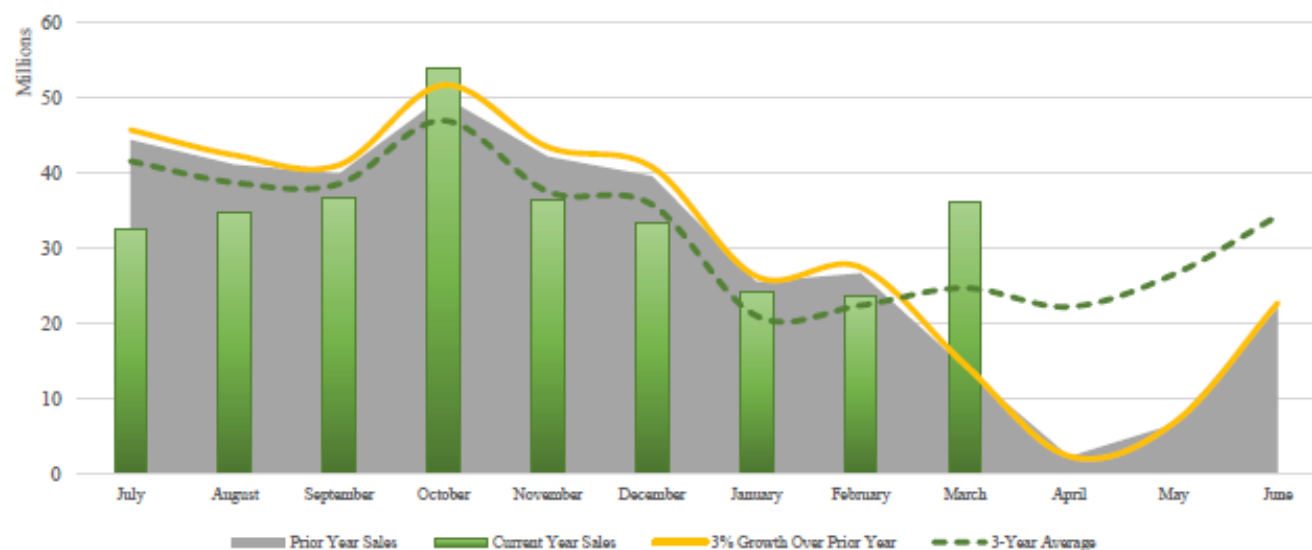
	Operating Fund	Product Development Fund	Total
Assets:			
Current assets:			
Cash and investments	\$ 20,615,914	\$ 18,050,670	\$ 38,666,584
Receivables	-	-	-
Total current assets	<u>\$ 20,615,914</u>	<u>\$ 18,050,670</u>	<u>38,666,584</u>
Liabilities:			
Current liabilities:			-
Accounts payable	\$ 28,797	\$ -	\$ 28,797
Future events payable	31,000	\$ 13,644,179	\$ 13,675,179
Total current liabilities	<u>59,797</u>	<u>\$ 13,644,179</u>	<u>\$ 13,703,976</u>
			-
Fund Balances:			-
Restricted for product development fund	-	4,406,490	4,406,490
Committed for event support program	94,192	-	94,192
State Required Contingency	890,823	-	890,823
Designated Contingency	4,190,057	-	4,190,057
Undesignated (cash flow)	15,381,045	-	15,381,045
Total fund balances	<u>20,556,117</u>	<u>4,406,490</u>	<u>24,962,607</u>
 Total liabilities and fund balances	<u>\$20,615,914</u>	<u>\$ 18,050,670</u>	<u>\$ 38,666,584</u>

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Total Lodging Sales

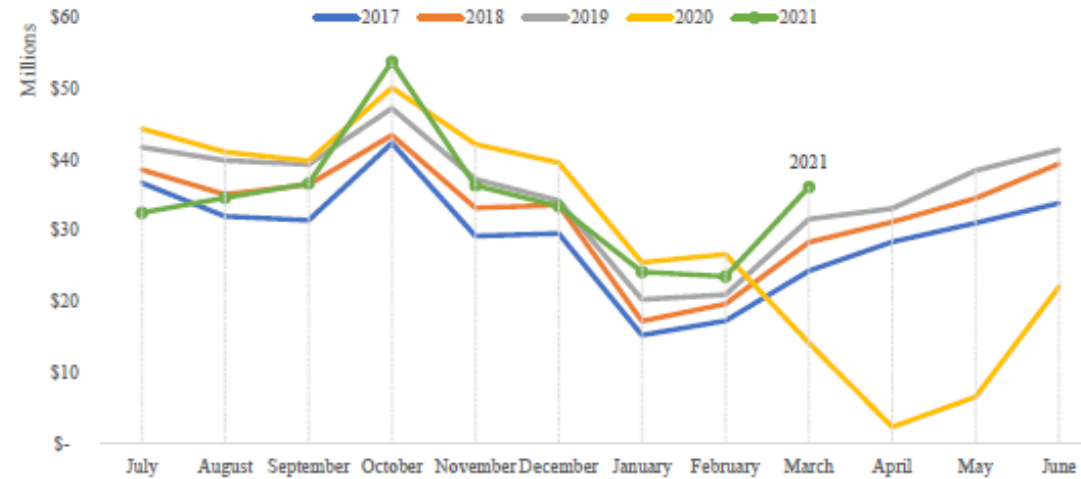
Shown by Month of Sale, Year-to-Date

April 30, 2021



	Current Year	Prior Year	(%) Change	YTD (%) Change	3% Over Prior Year	3-Year Average
Month of lodging sales:						
July	\$ 32,548,011	\$ 44,385,587	-27%	-27%	\$ 45,717,154	\$ 41,574,158
August	34,664,551	41,114,858	-16%	-21%	42,348,303	38,716,957
September	36,684,726	39,870,746	-8%	-17%	41,066,868	38,557,871
October	53,818,973	50,149,968	7%	-10%	51,654,467	46,965,381
November	36,389,296	42,191,477	-14%	-11%	43,457,221	37,554,598
December	33,488,715	39,597,145	-15%	-12%	40,785,060	35,822,512
January	24,213,034	25,562,428	-5%	-11%	26,329,301	21,065,499
February	23,577,360	26,697,925	-12%	-11%	27,498,862	22,453,224
March	36,165,021	14,208,120	155%	-4%	14,634,363	24,750,855
April	-	2,402,461	-	-	2,474,535	22,261,486
May	-	6,624,541	-	-	6,823,277	26,544,259
June	-	22,109,539	-	-	22,772,825	34,321,289
Total revenues	\$311,549,688	\$ 354,914,793			\$365,562,237	\$390,588,088

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY
History of Total Sales by Month
Shown by Month of Sale, Year-to-Date
 April 30, 2021



	2017	2018	2019	2020	2021
Month of lodging sales:					
July	\$ 36,734,684	\$ 38,602,612	\$ 41,734,276	\$ 44,385,587	\$ 32,548,011
August	32,040,330	35,118,463	39,917,550	41,114,858	34,664,551
September	31,498,527	36,475,819	39,327,048	39,870,746	36,684,726
October	42,361,030	43,473,922	47,272,253	50,149,968	53,818,973
November	29,254,904	33,231,722	37,240,595	42,191,477	36,389,296
December	29,615,696	33,597,999	34,272,393	39,597,145	33,488,715
January	15,323,999	17,286,992	20,347,077	25,562,428	24,213,034
February	17,323,590	19,676,430	20,985,316	26,697,925	23,577,360
March	24,352,927	28,406,443	31,638,002	14,208,120	36,165,021
April	28,444,541	31,240,963	33,141,034	2,402,461	-
May	31,113,327	34,544,014	38,464,222	6,624,541	-
June	33,898,766	39,441,126	41,413,202	22,109,539	-
Total lodging sales	\$ 351,962,319	\$ 391,096,506	\$ 425,752,967	\$ 354,914,793	\$ 311,549,688

PG 7

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Total Lodging Sales by Type

Shown by Month of Sale, Year-to-Date

April 30, 2021

Month of room sales:	Hotel/Motel				Vacation Rentals				Bed & Breakfast				Grand Totals			
	Current Year	Prior Year	% Change	YTD % Change	Current Year	Prior Year	% Change	YTD % Change	Current Year	Prior Year	% Change	YTD % Change	Current Year	Prior Year	% Change	YTD % Change
July	\$ 19,132,318	\$ 33,587,325	-43.0%	-43.0%	\$ 12,283,546	\$ 9,341,842	31.5%	31.5%	\$ 1,132,148	\$ 1,456,420	-22.3%	-22.3%	\$ 32,548,011	\$ 44,385,587	-26.7%	-26.7%
August	19,815,648	31,112,092	-36.3%	-39.8%	13,725,186	8,699,417	57.8%	44.2%	1,123,717	1,303,349	-13.8%	-18.3%	34,664,551	41,114,858	-15.7%	-21.4%
September	22,012,507	29,886,060	-26.3%	-35.5%	13,376,426	8,639,799	54.8%	47.6%	1,295,793	1,344,887	-3.7%	-13.5%	36,684,726	39,870,746	-8.0%	-17.1%
October	36,464,280	39,606,607	-7.9%	-27.4%	15,427,051	8,717,194	77.0%	54.8%	1,927,642	1,826,166	5.6%	-7.6%	53,818,973	50,149,968	7.3%	-10.1%
November	24,630,899	32,892,802	-25.1%	-26.9%	10,518,759	7,959,847	32.1%	50.7%	1,239,638	1,338,827	-7.4%	-7.6%	36,389,296	42,191,477	-13.8%	-10.8%
December	22,871,661	30,545,959	-25.1%	-26.7%	9,576,400	7,885,885	21.4%	46.2%	1,040,654	1,165,301	-10.7%	-8.0%	33,488,715	39,597,145	-15.4%	-11.5%
January	12,224,328	16,067,073	-23.9%	-26.5%	11,496,931	8,954,274	28.4%	43.5%	491,776	541,081	-9.1%	-8.1%	24,213,034	25,562,428	-5.3%	-11.0%
February	11,355,651	17,832,201	-36.3%	-27.2%	11,721,484	8,242,674	42.2%	43.4%	500,226	623,049	-19.7%	-8.8%	23,577,360	26,697,925	-11.7%	-11.0%
March	17,985,847	11,867,918	51.6%	-23.4%	17,385,978	1,892,976	818.4%	64.2%	793,196	447,226	77.4%	-5.0%	36,165,021	14,208,120	154.5%	-3.8%
April	-	2,109,282	-	-	-	286,146	-	-	-	7,034	-	-	-	2,402,461	-	-
May	-	4,523,980	-	-	-	1,925,692	-	-	-	174,869	-	-	-	6,624,541	-	-
June	-	11,770,482	-	-	-	9,657,843	-	-	-	681,214	-	-	-	22,109,539	-	-
Total	\$ 186,493,138	\$ 261,801,781			\$ 115,511,760	\$ 82,203,589			\$ 9,544,790	\$ 10,909,423			\$ 311,549,688	\$ 354,914,793		

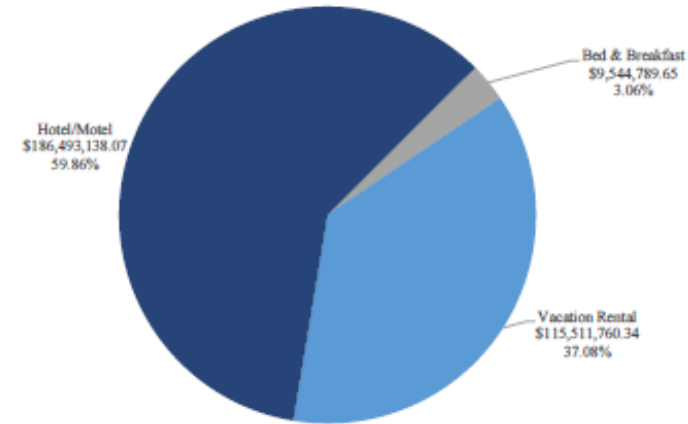
BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Total Lodging Sales by Type

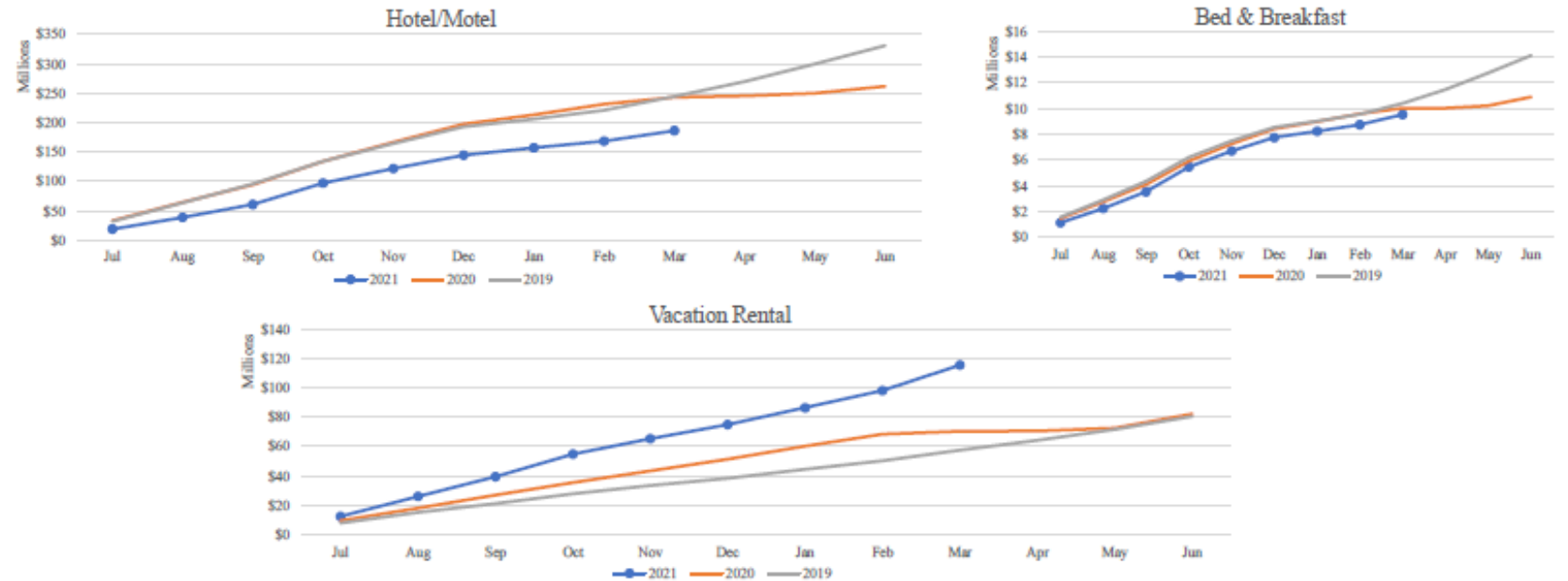
Shown by Month of Sale, Year-to-Date

April 30, 2021

Total Lodging Sales by Type, Year-to-Date



Year-to-Date Lodging Sales by Type, Compared to Prior Year



FINANCIAL REPORTS

Questions/Discussion

APPROVAL OF FINANCIALS

Chairman Himanshu Karvir

Motion for Consideration

Motion to Approve the April 2021 Financial Reports as Presented

FINANCIALS - ROLL CALL VOTE

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Lockett
- John McKibbon
- Kathleen Mosher
- James Poole
- Chairman Himanshu Karvir

PRESIDENT & CEO REPORT

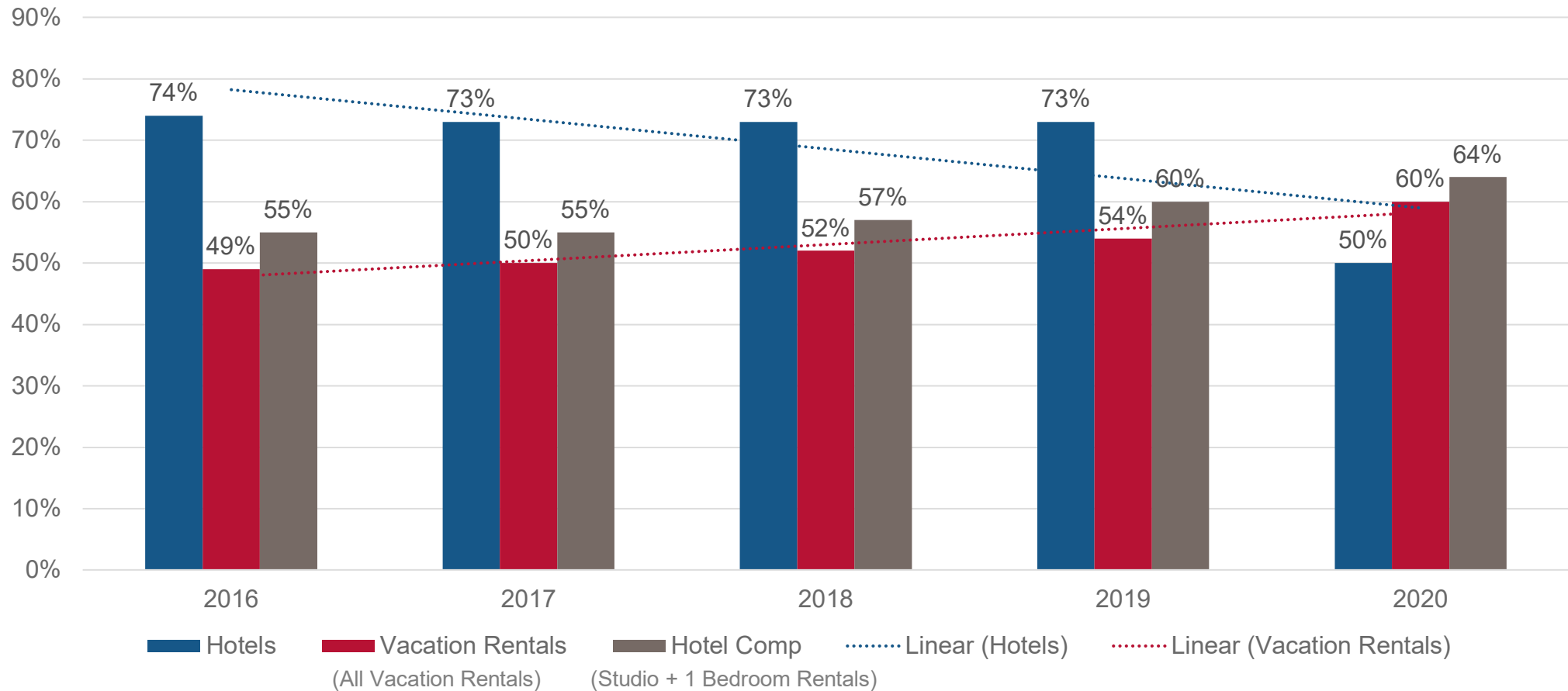
VIC ISLEY
PRESIDENT & CEO

Explore **ASHEVILLE**



BUNCOMBE COUNTY LODGING MARKET OVERVIEW

AVERAGE OCCUPANCY BY LODGING TYPE



AVERAGE DAILY RATE BY LODGING TYPE

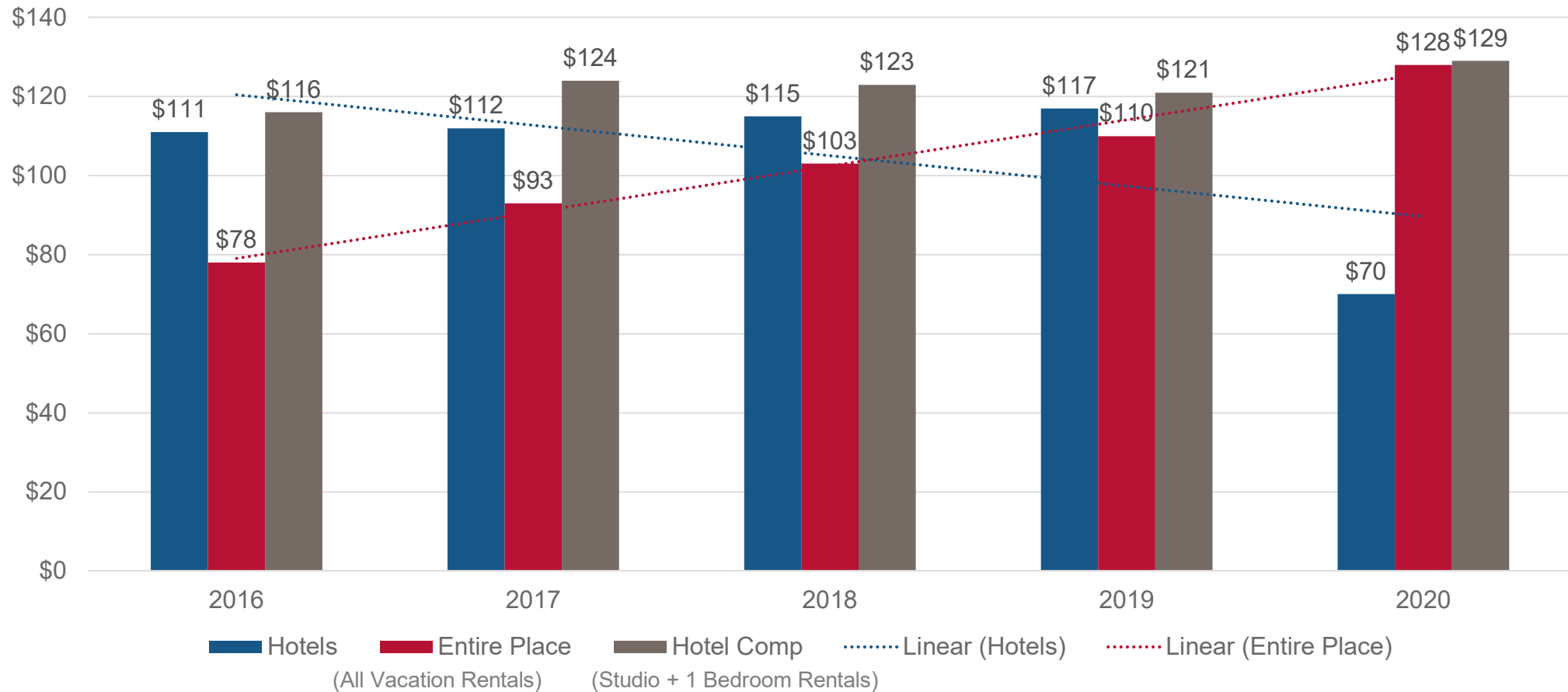


Source: STR & AirDNA

ADR = Room revenue divided by rooms sold, displayed as the average rental rate per room

For vacation rentals = average daily rate charged per booked entire place listing. ADR includes cleaning fees but not other service fees or taxes

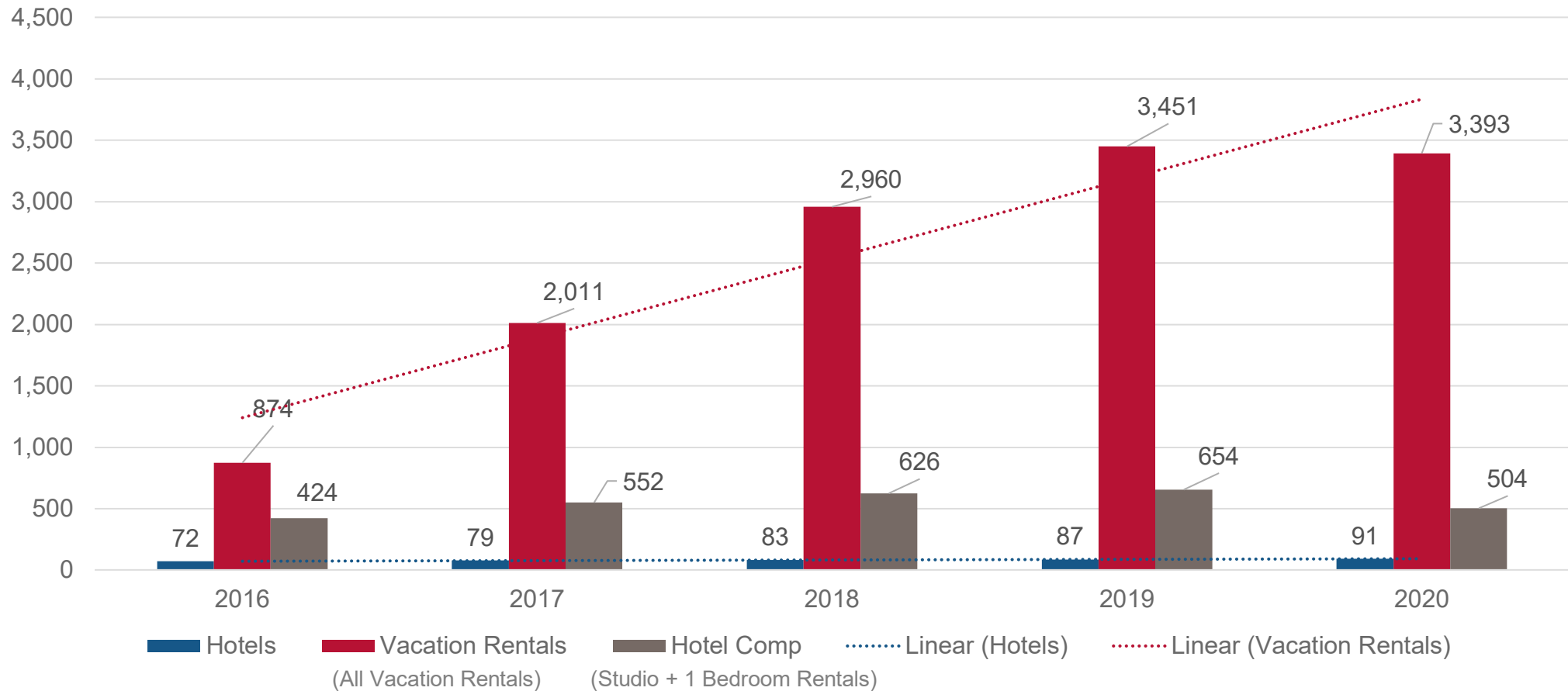
REVENUE PER AVAILABLE ROOM BY LODGING TYPE



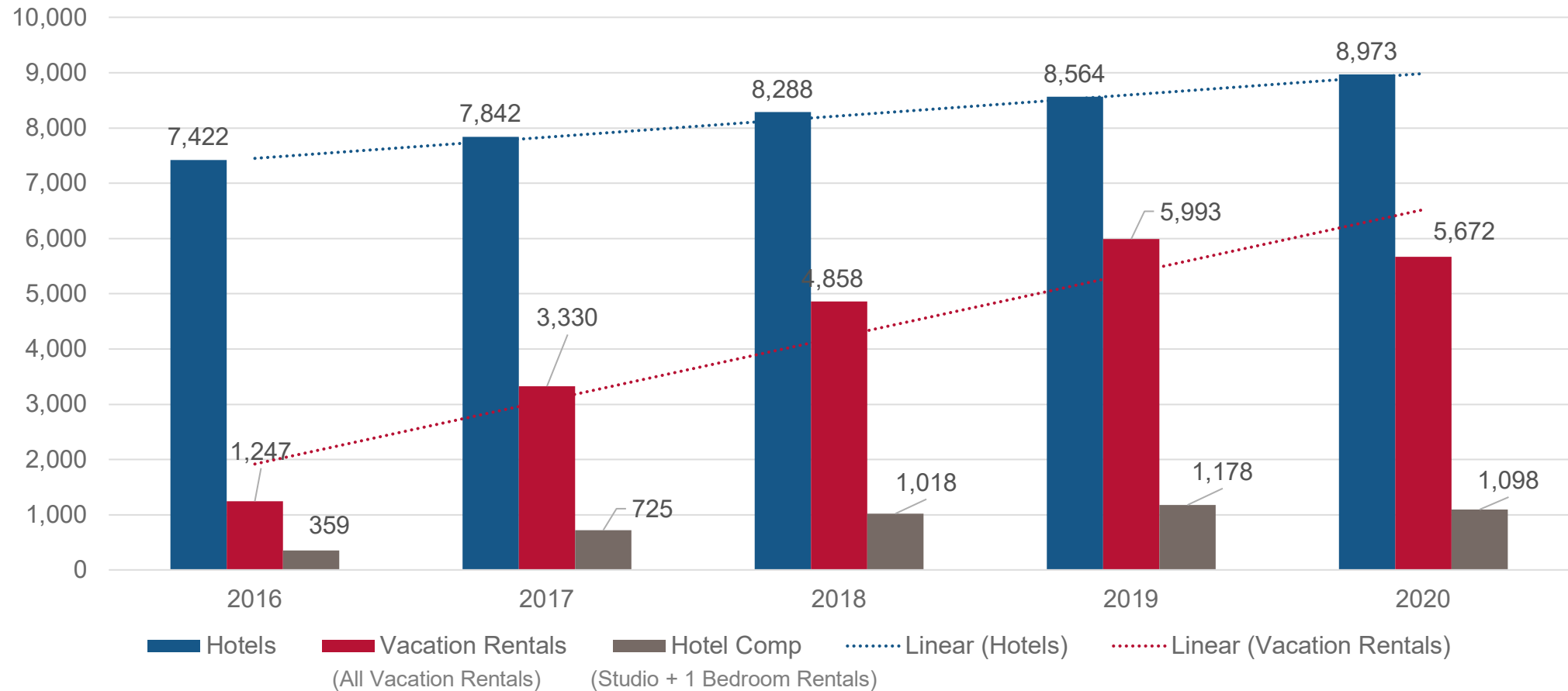
Source: STR & AirDNA

RevPAR = Room revenue divided by rooms available. For vacation rentals = entire place ADR * occupancy.

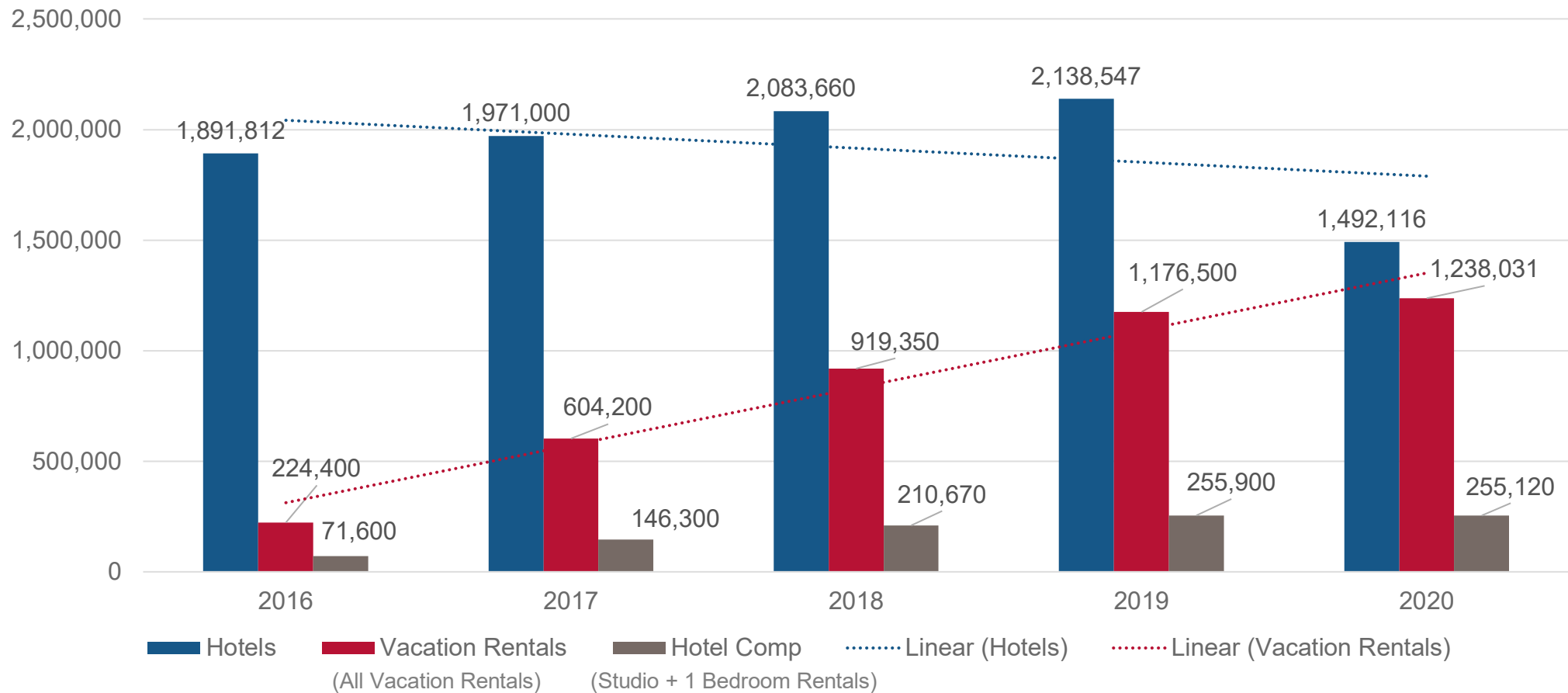
NUMBER OF PROPERTIES BY LODGING TYPE



ROOMS AVAILABLE PER NIGHT BY LODGING TYPE



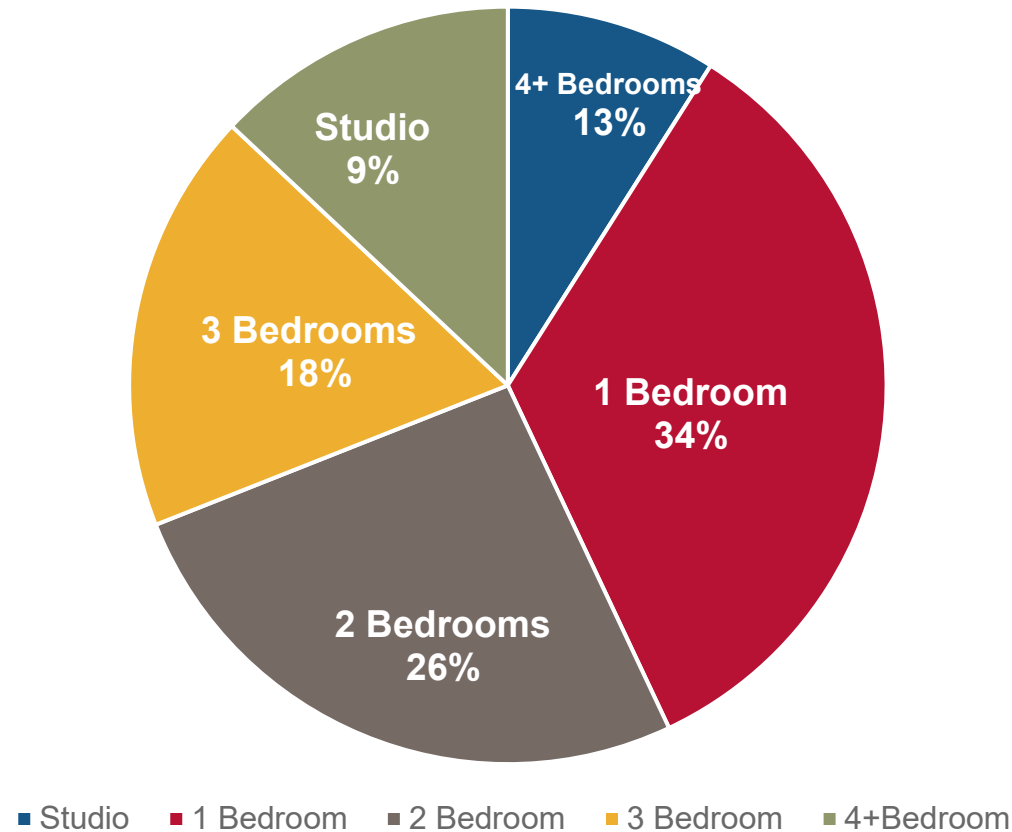
ROOM DEMAND BY LODGING TYPE



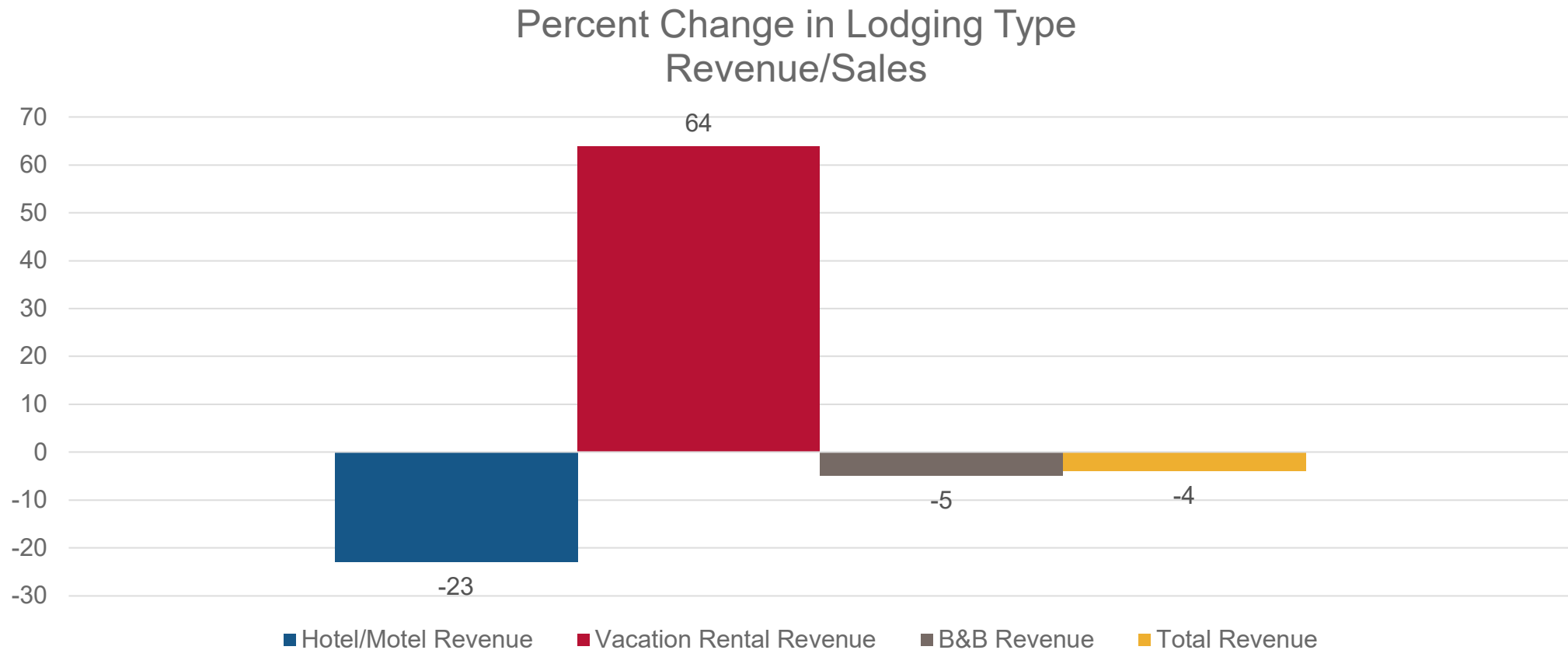
Source: STR & AirDNA

Room Demand = Total number of rooms sold or rented (excludes complimentary rooms)

NUMBER OF BEDROOMS VACATION RENTALS IN BUNCOMBE COUNTY

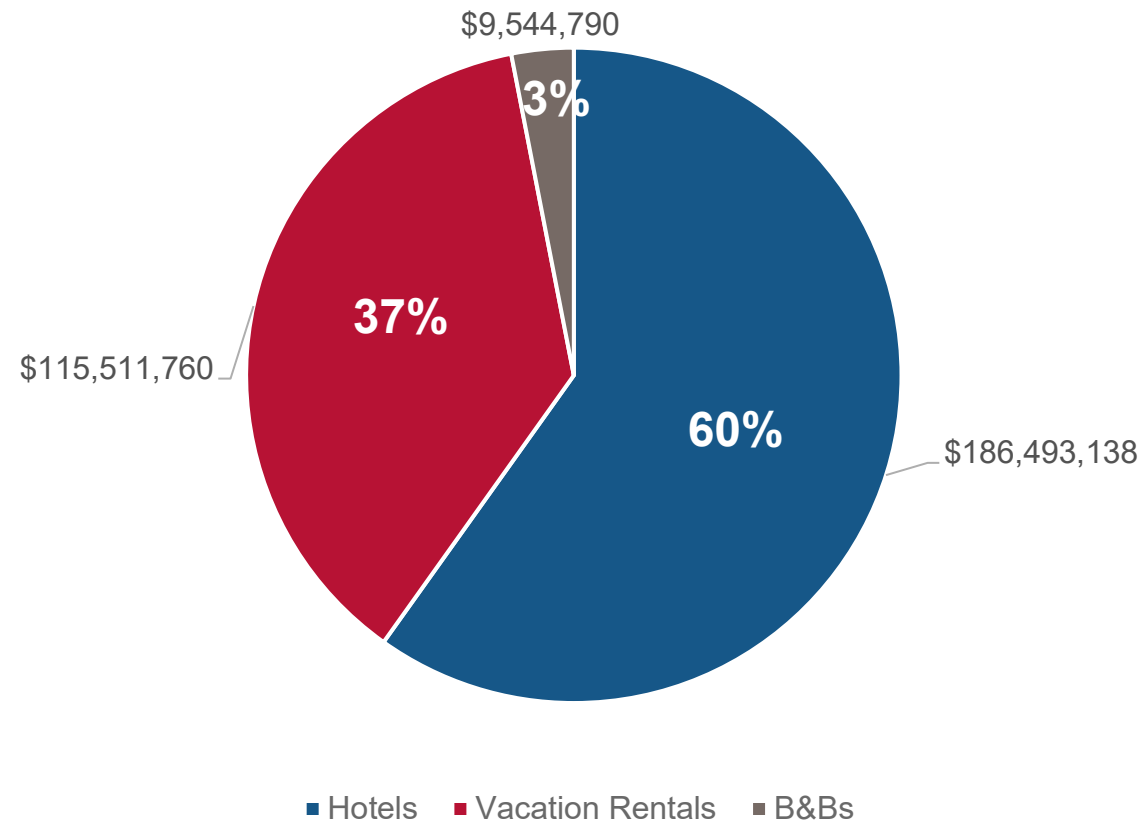


HOTELS CONTINUE TO LAG IN REVENUE THROUGH FY21



TOTAL LODGING SALES

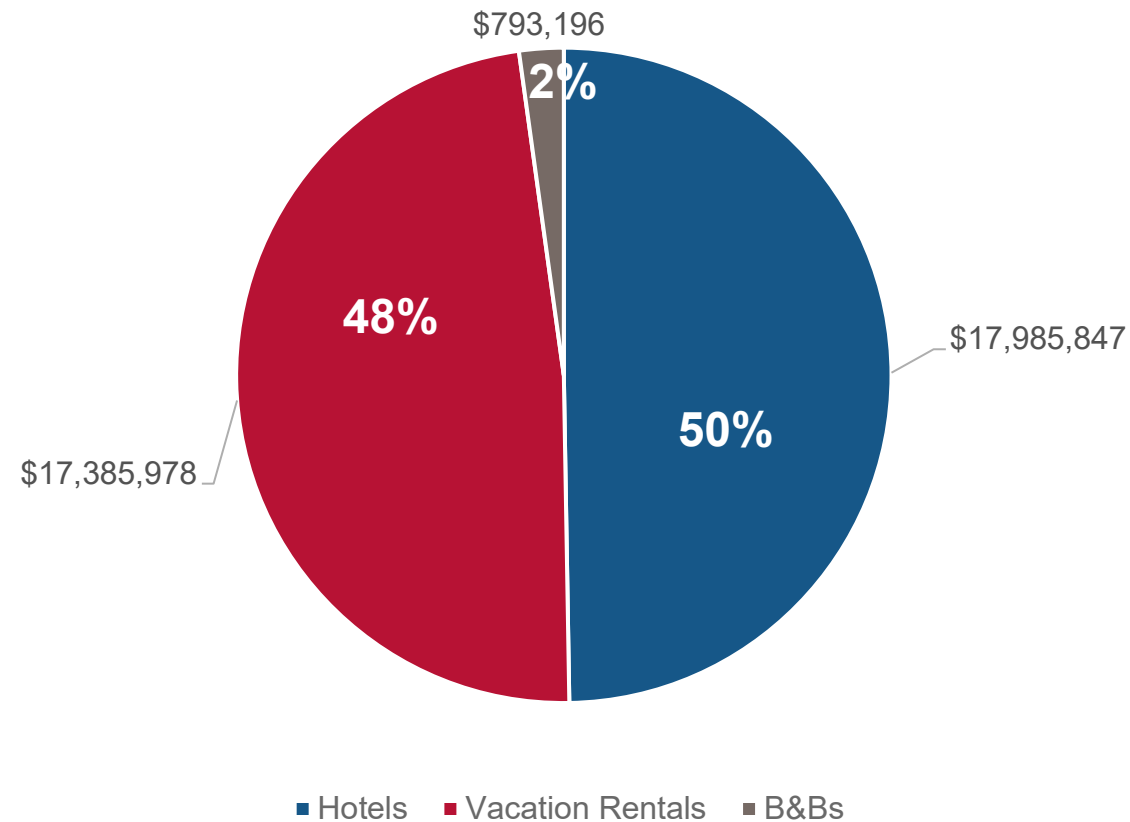
FY21 YTD



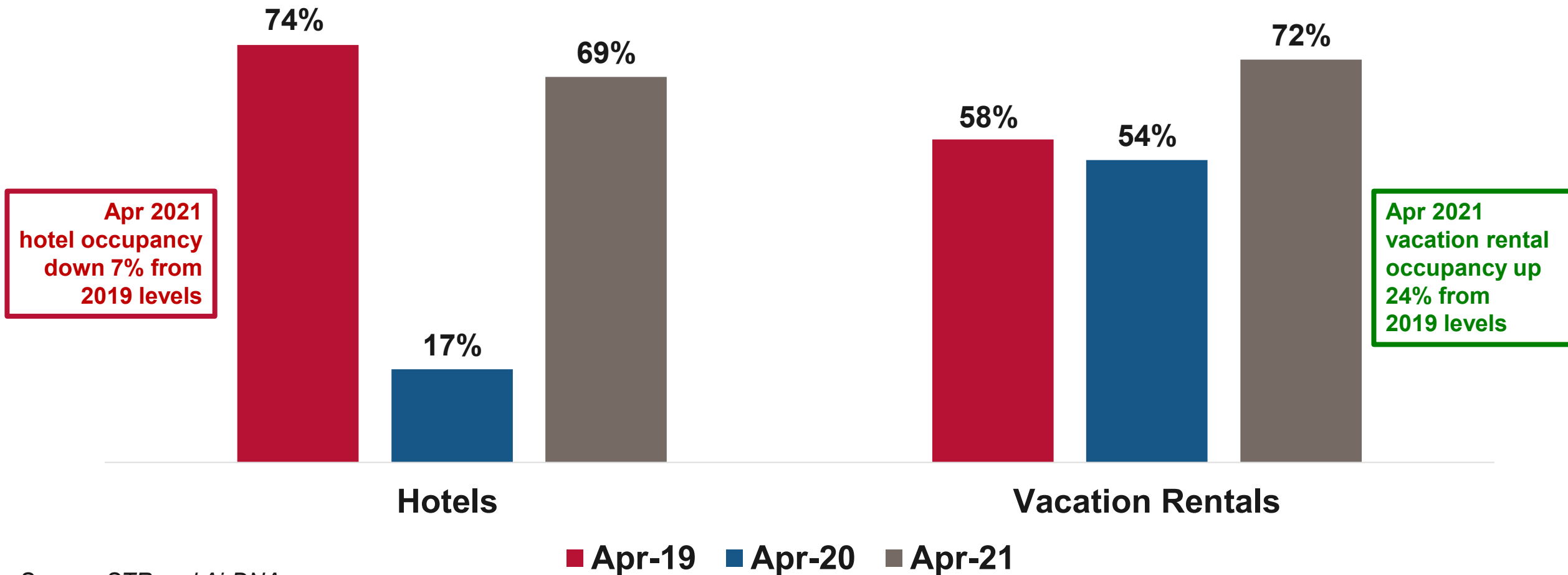
TOTAL LODGING SALES

MAR 2021

**Vacation rental sales
exceeded hotel sales
in Feb 2021 and nearly
equal in Mar 2021**



APR LODGING OCCUPANCY



- 
- **CVB Staff Recap**
 - **Destination Dashboard**
 - **Quick List**
 - **Questions?**

Explore **ASHEVILLE**

PROPOSED BCTDA FY 22 BUDGET

JOHN LUCKETT
BCTDA FINANCE COMMITTEE CHAIR

VIC ISLEY
PRESIDENT & CEO

JENNIFER KASS-GREEN
EXPLORE ASHEVILLE | DIRECTOR OF FINANCE

Explore **ASHEVILLE**

BUDGET CONSIDERATIONS

- Revenue objective of \$27,159,586 for FY22 represents a 9% increase over actual revenue FY19
 - > Previously approved by the board based upon revenue projections provided by Tourism Economics
- Takes into consideration potential legislative changes that if introduced will impact the allocation from three-quarters/one-quarter split to two-thirds/one-third (limit of state guidelines)
- Recommendation to allocate \$2 million from fund balance to FY22 operating budget for recovery efforts
- Recommendation to amend financial policy to include:
 - > Designated contingency fund of 6 months operating costs in accordance with organizational best practices
 - > Earned revenue fund will maintain 50% of the beginning fund balance each year with CEO approval authorization up to \$25k for any one sponsorship

STRATEGIC IMPERATIVES

Deliver Balanced Recovery & Sustainable Growth



Balance resident and visitor needs recognizing the necessary role that sustainable, long-term growth of travel has in achieving a healthy, collective economy.

Focus on the quality of each visit to our community – balancing growth across the seasons, business and leisure travel, and throughout Asheville and Buncombe County.

Engage & Invite More Diverse Audiences



Extend a genuine invitation to Black (BIPOC) travelers and other diverse audiences including LGBTQ visitors - connecting them with local neighborhoods, businesses and entrepreneurs - creating more opportunities for all to win.

Support product development, place making and community connections, enabling new experiences and business opportunities throughout our community.

Encourage Safe & Responsible Travel



Engage residents and visitors with shared values to care for and respect natural, cultural and human resources vital in delivering quality guest experiences.

Collaborate with community organizations, local businesses and environmentally focused partners to support the sustainability and growth of our outdoor economy.

Promote & Support Asheville's Creative Spirit



Share stories of creators and makers who help differentiate our destination through food and drink, visual and performing arts, experiences & more.

Support product development, place making and community connections, enabling new experiences and business opportunities throughout our community.

FY21 BUDGET & FORECAST

Revenue	FY21 Budget	FY21 Forecast
Occupancy Tax Revenue	11,135,293	19,107,203
Expense		
Salaries & Benefits	2,460,163	2,234,487
Executive Office	755,684	602,943
Marketing	11,390,551	9,661,454
Group Sales	904,392	628,315
Community Engagement	80,519	45,700
Total Expense	15,591,309	13,172,899
Net Revenue (Loss)	(4,456,016)	5,934,304

FY21 FUND BALANCE

	FY21 Beginning Fund Balance	FY21 Forecast Change in Fund Balance	FY21 Year-End Forecast Fund Balance	FY22 Beginning Fund Balance
Earned Revenue	11,381	89,747	101,128	101,128
State Required Contingency (8% Revenue Budget)	890,823	-	890,823	1,448,584
Designated Contingency (at least 15% Expense Budget)	4,190,057	-	4,190,057	4,870,922
Undesignated (Cash Flow)	7,372,831	5,934,304	13,307,135	12,068,509
Total	12,465,092	6,039,051	18,489,143	18,489,143

Designated Contingency is comprised of 15% of budgeted expenses plus \$1,854,828, per board vote during February 2020 BCTDA Meeting.

FY22 PROPOSED FUND BALANCE

	FY21 Beginning Fund Balance	FY21 Forecast Change in Fund Balance	FY21 Year-End Forecast Fund Balance	FY22 Beginning Fund Balance	FY22 Proposed Beginning Fund Balance
Earned Revenue	11,381	89,747	101,128	101,128	101,128
State Required Contingency (8% Revenue Budget)	890,823	-	890,823	1,448,584	1,448,584
Designated Contingency (6 Months Operating Budget)	4,190,057	-	4,190,057	4,870,922	10,053,648
Undesignated (Cash Flow)	7,372,831	5,934,304	13,307,135	12,068,509	6,885,783
Total	12,465,092	6,039,051	18,489,143	18,489,143	18,489,143

Propose amendment to the financial policy that designated contingency should equal 6 months of annual operating costs, in alignment with best practices for emergency, crisis management and recovery. Use of designated contingency must be approved by the BCTDA board. Requests should include an analysis, determine the use of funds and plans for replenishment. The organization's goal is to replenish the funds used within twelve months to restore the Designated Contingency to the target minimum amount. If the use of Contingency will take longer than 12 months to replenish, the request should have an additional layer of scrutiny prior to approval.

BUDGET SCENARIOS

BASED ON STATE APPROVED ALLOCATION LEVELS

	OPERATING FUND	TPDF FUND	TOTAL
FY19 Actuals	18,687,788	6,229,238	24,917,026
FY22 (2/3 and 1/3)	18,107,203	9,052,290	27,159,586
FY22 (2/3 and 1/3) + \$2m fund balance to operating budget	20,107,203	9,052,290	29,159,586
FY22 (3/4 and 1/4)	20,369,670	6,789,896	27,159,586

FY22 PROPOSED OPERATING BUDGET

Revenue	FY22 Revenue Objective (2/3)	FY22 Revenue Objective (3/4)
Occupancy Taxes	18,107,297	20,369,690
Fund Balance Designation	2,000,000	0
Total	20,107,297	20,369,690
Expense	FY22 Proposed Budget	FY22 Proposed Budget
Salaries & Benefits	2,889,975	2,889,975
Administration & Facilities	798,580	798,580
Marketing	15,059,501	15,321,894
Group Sales	1,236,063	1,236,063
Community Engagement	123,178	123,178
Total	20,107,297	20,369,690

FY22 EARNED REVENUE FUND

Beginning Fund Balance	101,128
Budgeted Revenue	150,000
Budgeted Expenses	200,564
Ending Fund Balance (50% Reserve)	50,564

During the October 2020 BCTDA Meeting, the Board approved a request to transfer \$100,000 in earned revenue funds into the FY21 earned revenue operating budget, with the interim CEO authorized to approve expenditures of up to \$5,000 per recipient during the remaining FY21, and for the BCTDA's board chair to approve amounts exceeding that amount. The board voted, with all in favor of this request.

For FY22, recommendation of a practice of maintaining 50% of beginning fund balance in reserve each year, with President & CEO authorization to approve up to \$25,000 per any one sponsorship/event, and for the BCTDA's board chair to approve amounts in excess of \$25,000.

SALARIES & BENEFITS

\$2,889,975

- 10% increase in health insurance premiums
- 2% COLA increase
- Staffing
 - Fill open roles (3)
 - New role (1)

ADMINISTRATION & FACILITIES

\$798,580

- General Administration - \$381,380
- Rent - \$217,200
- Facilitated team development and DEI training

MARKETING

Proposed budget (2/3)

\$15,059,500

Net Media - \$10,633,963

- 53% of total FY22 operating budget
- 8% increase over FY19 actuals
- Media partnerships aligned with strategic pillars to influence balanced growth and visitor behavior
- Production - \$3,070,640
 - New agency
 - Production, shoots and creative fees
 - Content in alignment with strategic pillars
- Research
 - Destination management software system (planning with partners)
 - Resident sentiment survey
 - Visitor satisfaction tracking

Proposed budget (3/4)

\$15,321,894

Net Media - \$10,896,356

- 53% of total FY22 operating budget
- 11% increase over FY19 actuals
- Media partnerships aligned with strategic pillars to influence balanced growth and visitor behavior
- Production - \$3,070,640
 - New agency
 - Production, shoots and creative fees
 - Content in alignment with strategic pillars
- Research
 - Destination management software system (planning with partners)
 - Resident sentiment survey
 - Visitor satisfaction tracking

GROUP SALES

\$1,236,063

- 4 FAMs
- Sales advertising increased to target events and groups aligned with economic development sectors
- Increase ABRSC funding to \$230,000 (12% increase)
- Increase Meetings Development Fund to \$125,000
- 20+ Trade Shows

COMMUNITY ENGAGEMENT

\$123,178

- Event strategy designed in alignment with four pillars for partner engagement
- Budgeted additional dollars to support local, diverse, creative businesses through procurement

FY22 TOURISM PRODUCT DEVELOPMENT FUND

	Tourism Product Development Fund (1/3)	Tourism Product Development Fund (1/4)
Beginning Fund Balance	6,626,582	6,626,582
Budgeted Revenue	9,052,290	6,789,897
Administrative Budget	440,000	440,000
Available Funds	15,238,872	12,976,479

BUDGET SUMMARY

- Accommodates consideration for potential legislative changes that if introduced will impact the allocation from three-quarters/one-quarter split to two-thirds/one-third (limit of state guidelines)
- Recommendation to amend financial policy to include:
 - > Designated contingency fund of 6 months operating costs in accordance with organizational best practices
 - > Earned revenue fund will maintain 50% of the beginning fund balance each year with CEO approval authorization up to \$25k for any one sponsorship
- Aligns marketing investment with strategic pillars to deliver balanced growth and influence visitor behavior:
 - > Encourage responsible travel
 - > Engage diverse audiences
 - > Promote Asheville's creative spirit

A scenic landscape photograph showing two women and a German Shepherd sitting on a white blanket on a grassy hill. The hill is covered in tall, golden-brown grass. In the background, there are rolling green mountains under a blue sky with wispy clouds. The overall mood is peaceful and scenic.

Questions?

BCTDA FINANCIAL MANAGEMENT POLICY

Chairman Himanshu Karvir

Motion for Consideration

Motion to approve the revised
BCTDA Financial Management
Policy as presented.

Buncombe County Tourism Development Authority

BCTDA FINANCIAL MANAGEMENT POLICY

(Adopted April 24, 2013; Revised November 19, 2014, May 25, 2016, October 30, 2019, May 26, 2021)

The Buncombe County Tourism Development Authority adopted the following Financial Management Policy on April 24, 2013, revised November 19, 2014, May 25, 2016, October 30, 2019, May 26, 2021, to direct the allocation of surplus funds.

The purpose of the Financial Management Policy is to comply with state guidelines, ensure stability, employment and ongoing operations of the organization. This policy sets forth the different operating reserves of the BCTDA, whether each can be accessed and under what conditions.

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 six (6) months of the average operating costs will be maintained in alignment with best practices for emergency, crisis management, and recovery. This fund will be identified as the "Designated Contingency." The calculation of average monthly operating costs includes all recurring, predictable expenses. The amount of the Designated Contingency target will be calculated each year after approval of the annual budget, reported to the Board of Directors, and included in the regular financial reports. Any use of the Designated Contingency must be approved by the BCTDA Board upon the presentation of a request for such use that includes an analysis of the use, its compliance with this policy and applicable law, and plans for replenishment of the Designated Contingency to meet the requirements of this policy. If the use of the Designated Contingency will result in a replenishment time of 12 months or more, the BCTDA Board must approve the use by a vote of two-thirds of its voting members.

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.

Earned Revenue Fund. Funds earned by the BCTDA (not tax receipts) will be maintained in the Earned Revenue Fund. The BCTDA will maintain 50% of the beginning fund balance in the Earned Revenue Fund each year. The President & CEO is authorized to approve expenditures from the Earned Revenue Fund for any one sponsorship or event for amounts up to \$25,000. The Chair of the BCTDA may approve such sponsorships or event expenditures from the Earned Revenue Funds for amounts greater than \$25,000.

ROLL CALL VOTE

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Lockett
- John McKibbon
- Kathleen Mosher
- James Poole
- Chairman Himanshu Karvir

PROPOSED BUDGET ORDINANCE #1

Proposed Budget Ordinance based on potential legislative changes that, if introduced and passed, will change the occupancy tax allocation from a 75%/25% Operating/TPDF split to 67%/33%. Leadership in the local hotel community is advocating for this change.

ORDINANCE # 06.30.21

**BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY
NORTH CAROLINA
BUDGET ORDINANCE
FISCAL YEAR 2021-2022**

BOARD MEETING DATE: June 30, 2021

BE IT ORDAINED by the Board of the Buncombe County Tourism Development Authority of Buncombe County, North Carolina on this the 30th day of June, 2021:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the Operating Fund for the operation of the Buncombe County Tourism Development Authority and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Salaries and Benefits	\$ 2,889,975
Marketing	15,059,501
Group Sales	1,236,063
Community Engagement	123,178
Administration & Facilities	798,580
TOTAL APPROPRIATION:	\$ 20,107,297
REVENUE	
Occupancy Tax Revenue	\$ 18,107,297
Fund Balance - Undesignated	\$ 2,000,000
TOTAL APPROPRIATION:	\$ 20,107,297

Section 2: The following amounts are hereby appropriated and revenues estimated to be available in the Tourism Product Development Fund for the operation of the Buncombe County Tourism Development Authority's Tourism Product Development Fund Administration Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Product Development Administration	\$ 190,000
Wayfinding Administration	250,000
TOTAL APPROPRIATION:	\$ 440,000
REVENUE	
Occupancy Tax Revenue	\$ 440,000
TOTAL APPROPRIATION:	\$ 440,000

Section 3: The following amounts are hereby appropriated and revenues estimated to be available in the earned income fund for the operation of the Buncombe County Tourism Development Authority's Earned Revenue Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Local Support from Earned Revenue	\$ 200,564
TOTAL APPROPRIATION:	\$ 200,564
REVENUE	
Earned Revenue	\$ 150,000
Fund Balance - Committed for Event Support Program	\$ 50,564
TOTAL APPROPRIATION:	\$ 200,564

ATTEST:

Jonna Sampson, Executive Operations Manager

TOURISM DEVELOPMENT AUTHORITY FOR
FOR THE COUNTY OF BUNCOMBE:

By: _____
Himanshu Karvir, BCTDA Board Chair

PROPOSED BUDGET ORDINANCE #2

Proposed Budget Ordinance based on the current occupancy tax legislation directing 75% to the Operating Fund and 25% to the Tourism Product Development Fund.

ORDINANCE # 06.30.21

BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY NORTH CAROLINA BUDGET ORDINANCE FISCAL YEAR 2021-2022

BOARD MEETING DATE: June 30, 2021

BE IT ORDAINED by the Board of the Buncombe County Tourism Development Authority of Buncombe County, North Carolina on this the 30th day of June, 2021:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the Operating Fund for the operation of the Buncombe County Tourism Development Authority and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Salaries and Benefits	\$ 2,889,975
Marketing	15,321,894
Group Sales	1,236,063
Community Engagement	123,178
Administration & Facilities	798,580
TOTAL APPROPRIATION:	\$ 20,369,690

REVENUE	
Occupancy Tax Revenue	\$ 20,369,690
TOTAL APPROPRIATION:	\$ 20,369,690

Section 2: The following amounts are hereby appropriated and revenues estimated to be available in the Tourism Product Development Fund for the operation of the Buncombe County Tourism Development Authority's Tourism Product Development Fund Administration Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Product Development Administration	\$ 190,000
Wayfinding Administration	250,000
TOTAL APPROPRIATION:	\$ 440,000

REVENUE	
Occupancy Tax Revenue	\$ 440,000
TOTAL APPROPRIATION:	\$ 440,000

Section 3: The following amounts are hereby appropriated and revenues estimated to be available in the earned income fund for the operation of the Buncombe County Tourism Development Authority's Earned Revenue Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Local Support from Earned Revenue	\$ 200,564
TOTAL APPROPRIATION:	\$ 200,564

REVENUE	
Earned Revenue	\$ 150,000
Fund Balance - Committed for Event Support Program	\$ 50,564
TOTAL APPROPRIATION:	\$ 200,564

ATTEST:

TOURISM DEVELOPMENT AUTHORITY FOR
FOR THE COUNTY OF BUNCOMBE:

By:
Jonna Sampson, Executive Operations Manager

By:
Himanshu Karvir, BCTDA Board Chair

FY 22 BUDGET ORDINANCES

Chairman Himanshu Karvir

Motion for Consideration

Motion to accept the two proposed BCTDA FY 22 budget ordinances as presented for the purposes of the public hearing, and to hold the public hearing.

ORDINANCE # 06.30.21

**BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY
NORTH CAROLINA
BUDGET ORDINANCE
FISCAL YEAR 2021-2022**

BOARD MEETING DATE: June 30, 2021

BE IT ORDAINED by the Board of the Buncombe County Tourism Development Authority of Buncombe County, North Carolina on this the 30th day of June, 2021:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the Operating Fund for the operation of the Buncombe County Tourism Development Authority and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Salaries and Benefits	\$ 2,889,975
Marketing	15,050,501
Group Sales	1,236,063
Community Engagement	123,178
Administration & Facilities	798,580
TOTAL APPROPRIATION:	\$ 20,107,297
REVENUE	
Occupancy Tax Revenue	\$ 18,107,297
Fund Balance - Undesignated	\$ 2,000,000
TOTAL APPROPRIATION:	\$ 20,107,297

Section 2: The following amounts are hereby appropriated and revenues estimated to be available in the Tourism Product Development Fund for the operation of the Buncombe County Tourism Development Authority's Tourism Product Development Fund Administration Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Product Development Administration	\$ 190,000
Wayfinding Administration	250,000
TOTAL APPROPRIATION:	\$ 440,000
REVENUE	
Occupancy Tax Revenue	\$ 440,000
TOTAL APPROPRIATION:	\$ 440,000

Section 3: The following amounts are hereby appropriated and revenues estimated to be available in the earned income fund for the operation of the Buncombe County Tourism Development Authority's Earned Revenue Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Local Support from Earned Revenue	\$ 200,564
TOTAL APPROPRIATION:	\$ 200,564
REVENUE	
Earned Revenue	\$ 150,000
Fund Balance - Committed for Event Support Program	\$ 50,564
TOTAL APPROPRIATION:	\$ 200,564

ATTEST: TOURISM DEVELOPMENT AUTHORITY FOR
FOR THE COUNTY OF BUNCOMBE:

By: Himanshu Karvir, BCTDA Board Chair

Jonna Sampson, Executive Operations Manager

ORDINANCE # 06.30.21

**BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY
NORTH CAROLINA
BUDGET ORDINANCE
FISCAL YEAR 2021-2022**

BOARD MEETING DATE: June 30, 2021

BE IT ORDAINED by the Board of the Buncombe County Tourism Development Authority of Buncombe County, North Carolina on this the 30th day of June, 2021:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the Operating Fund for the operation of the Buncombe County Tourism Development Authority and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Salaries and Benefits	\$ 2,889,975
Marketing	15,321,894
Group Sales	1,236,063
Community Engagement	123,178
Administration & Facilities	798,580
TOTAL APPROPRIATION:	\$ 20,369,690
REVENUE	
Occupancy Tax Revenue	\$ 20,369,690
TOTAL APPROPRIATION:	\$ 20,369,690

Section 2: The following amounts are hereby appropriated and revenues estimated to be available in the Tourism Product Development Fund for the operation of the Buncombe County Tourism Development Authority's Tourism Product Development Fund Administration Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Product Development Administration	\$ 190,000
Wayfinding Administration	250,000
TOTAL APPROPRIATION:	\$ 440,000
REVENUE	
Occupancy Tax Revenue	\$ 440,000
TOTAL APPROPRIATION:	\$ 440,000

Section 3: The following amounts are hereby appropriated and revenues estimated to be available in the earned income fund for the operation of the Buncombe County Tourism Development Authority's Earned Revenue Budget and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

APPROPRIATION	
Local Support from Earned Revenue	\$ 200,564
TOTAL APPROPRIATION:	\$ 200,564
REVENUE	
Earned Revenue	\$ 150,000
Fund Balance - Committed for Event Support Program	\$ 50,564
TOTAL APPROPRIATION:	\$ 200,564

ATTEST: TOURISM DEVELOPMENT AUTHORITY FOR
FOR THE COUNTY OF BUNCOMBE:

By: Himanshu Karvir, BCTDA Board Chair

Jonna Sampson, Executive Operations Manager

ROLL CALL VOTE

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Lockett
- John McKibbon
- Kathleen Mosher
- James Poole
- Chairman Himanshu Karvir

BUDGET PUBLIC HEARING

Chairman Himanshu Karvir

- Open the Public Hearing on the BCTDA's Proposed FY 22 Budget which, pursuant to N.C. General Statute 166A-19.24 (e) during this COVID-19 state of emergency, may be held electronically.
- The public is invited to submit comments related to the BCTDA's proposed FY 22 BCTDA budget via email to reply@ExploreAsheville.com through 4:00 p.m. on Tuesday, June 29, 2021.
- Close the Public Budget Hearing

CITY COUNCIL UPDATE

Councilmember Sandra Kilgore

Asheville City Council Update

BC COMMISSION UPDATE

Commissioner Robert Pressley

Buncombe County Commission Update

MISCELLANEOUS BUSINESS

Chairman Himanshu Karvir

WRITTEN PUBLIC COMMENTS

Chairman Himanshu Karvir

Members of the Public were invited to submit comments via email to reply@ExploreAsheville.com through 4:00 p.m. on Wednesday, May 25.

There was one comment received by the deadline and it was sent to the board.

LIVE PUBLIC COMMENTS

Chairman Himanshu Karvir

Members of the Public were invited to sign-up to verbally share live comments during today's virtual BCTDA meeting.

As of the 12:00 p.m. deadline on Tuesday, May 25, one request to speak had been received.

LIVE PUBLIC COMMENTS

Chairman Himanshu Karvir

Speakers are allowed up to 3 minutes to share comments and can choose to appear on screen or via audio only. Speakers agree to abide by the *Rules of Decorum for Live Public Comments during Virtual BCTDA Meetings*.

Today's Public Commenter (audio only)

Bob Michel | Chestnut Hills/Charlotte Street

ADJOURNMENT

Chairman Himanshu Karvir

Request Motion to Adjourn the Meeting

ADJOURN - ROLL CALL VOTE

Chairman Himanshu Karvir

- Vice Chairman Gary Froeba
- Leah Ashburn
- Andrew Celwyn
- Brenda Durden
- John Lockett
- John McKibbon
- Kathleen Mosher
- James Poole
- Chairman Himanshu Karvir

NEXT BCTDA MEETING



Thanks for attending!

The next BCTDA meeting will be on
Wednesday, June 30, 2021 | 9:00 a.m.